CUTTING SOCIAL SECURITY STAFF BY ONE-FOURTH: HAVE WE GONE TOO FAR?

HEARING

BEFORE THE

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT

OF THE

SELECT COMMITTEE ON AGING
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

MARCH 8, 1990

Comm. Pub. No. 101-756

Printed for the use of the Select Committee on Aging

U.S. GOVERNMENT PRINTING OFFICE
28-594 ⇆ WASHINGTON : 1990

For sale by the Superintendent of Documents, Congressional Sales Office
U.S. Government Printing Office, Washington, DC 20402

H141-14

SELECT COMMITTEE ON AGING

EDWARD R. ROYBAL, California, *Chairman*

THOMAS J. DOWNEY, New York
HAROLD E. FORD, Tennessee
WILLIAM J. HUGHES, New Jersey
MARILYN LLOYD, Tennessee
MARY ROSE OAKAR, Ohio
THOMAS A. LUKEN, Ohio
BEVERLY B. BYRON, Maryland
HENRY A. WAXMAN, California
MIKE SYNAR, Oklahoma
BUTLER DERRICK, South Carolina
BRUCE F. VENTO, Minnesota
BARNEY FRANK, Massachusetts
TOM LANTOS, California
RON WYDEN, Oregon
GEO. W. CROCKETT, Jr., Michigan
IKE SKELTON, Missouri
DENNIS M. HERTEL, Michigan
ROBERT A. BORSKI, Pennsylvania
BEN ERDREICH, Alabama
NORMAN SISISKY, Virginia
ROBERT E. WISE, Jr., West Virginia
BILL RICHARDSON, New Mexico
HAROLD L. VOLKMER, Missouri
BART GORDON, Tennessee
THOMAS J. MANTON, New York
RICHARD H. STALLINGS, Idaho
JAMES McCLURE CLARKE, North Carolina
JOSEPH P. KENNEDY II, Massachusetts
LOUISE M. SLAUGHTER, New York
JAMES H. BILBRAY, Nevada
JIM JONTZ, Indiana
JERRY F. COSTELLO, Illinois
HARLEY O. STAGGERS, Jr., West Virginia
FRANK PALLONE, Jr., New Jersey
JOLENE UNSOELD, Washington
PETER A. DeFAZIO, Oregon
JOHN LEWIS, Georgia

MATTHEW J. RINALDO, New Jersey,
Ranking Minority Member
JOHN PAUL HAMMERSCHMIDT, Arkansas
RALPH REGULA, Ohio
NORMAN D. SHUMWAY, California
OLYMPIA J. SNOWE, Maine
THOMAS J. TAUKE, Iowa
JIM COURTER, New Jersey
CLAUDINE SCHNEIDER, Rhode Island
THOMAS J. RIDGE, Pennsylvania
CHRISTOPHER H. SMITH, New Jersey
SHERWOOD L. BOEHLERT, New York
JIM SAXTON, New Jersey
HELEN DELICH BENTLEY, Maryland
JIM LIGHTFOOT, Iowa
HARRIS W. FAWELL, Illinois
JAN MEYERS, Kansas
BEN BLAZ, Guam
PAUL B. HENRY, Michigan
BILL SCHUETTE, Michigan
FLOYD SPENCE, South Carolina
WILLIAM F. CLINGER, Jr., Pennsylvania
CONSTANCE A. MORELLA, Maryland
PATRICIA F. SAIKI, Hawaii
JOHN EDWARD PORTER, Illinois
JOHN J. DUNCAN, Jr., Tennessee
CLIFF STEARNS, Florida
CRAIG T. JAMES, Florida

Richard A. Veloz, M.P.H., J.D., *Staff Director*
Paul Schlegel, *Minority Staff Director*

Subcommittee on Retirement Income and Employment

WILLIAM J. HUGHES, New Jersey, *Chairman*

THOMAS J. DOWNEY, New York
MARILYN LLOYD, Tennessee
MARY ROSE OAKAR, Ohio
MIKE SYNAR, Oklahoma
GEO. W. CROCKETT, Jr., Michigan
ROBERT E. WISE, Jr., West Virginia
HAROLD L. VOLKMER, Missouri
THOMAS J. MANTON, New York
RICHARD H. STALLINGS, Idaho
JIM JONTZ, Indiana
JERRY F. COSTELLO, Illinois
EDWARD R. ROYBAL, California,
(Ex Officio)

THOMAS J. TAUKE, Iowa,
Ranking Minority Member
NORMAN D. SHUMWAY, California
JAN MEYERS, Kansas
BILL SCHUETTE, Michigan
FLOYD SPENCE, South Carolina
JOHN EDWARD PORTER, Illinois
CLIFF STEARNS, Florida
CRAIG T. JAMES, Florida
MATTHEW J. RINALDO, New Jersey,
(Ex Officio)

Brian T. Lutz, *Staff Director*
Jane Williams, *Minority Staff Director*

CONTENTS

MEMBERS OPENING STATEMENTS

Page

Chairman William J. Hughes ... 1
Thomas J. Tauke ... 21
Barney Frank ... 28
James H. Bilbray ... 30
Marilyn Lloyd ... 33
Thomas J. Manton ... 35
Jerry Costello ... 37
Cliff Stearns ... 38

CHRONOLOGICAL LIST OF WITNESSES

Hon. Gwendolyn S. King, Commissioner of Social Security, Social Security Administration, Department of Health & Human Services ... 40
Barbara Kressman, Social Worker, Early Intervention, Swainton, New Jersey. 80
Patricia Freedman, Staff Attorney, Disability Law Center, Boston, Massachusetts ... 95
Linda Thomas, Claims Representative, Social Security Administration; and On-Site Representative, American Federation of Government Employees, Bridgeton, New Jersey ... 108
James C. Strassberger, Social Security Administration Systems Analyst; and Steward, Local 1923, American Federation of Government Employees, Baltimore, Maryland ... 122

APPENDIX

Additional material received for the record:

Ruth Washburn, Egg Harbor Township, New Jersey, letter and attachments ... 141
William Joekla, Social Security Administration Claims Representative, Appleton, Wisconsin District Office, statement ... 165
Richard Stooker, Social Security Administration Claims Representative, St Louis Missouri, Central West End District Office, statement ... 167
Susie Hess, Social Security Administration Claims Representative, Independence, Missouri, statement ... 171
Paul R. Raymand, CR, Independence, Misouri, statement ... 173
Mary O'Malley, Social Security Administration Claims Representative, Renton Branch Office, statement ... 178

CUTTING SOCIAL SECURITY STAFF BY ONE-FOURTH: HAVE WE GONE TOO FAR?

THURSDAY, MARCH 8, 1990

U.S. HOUSE OF REPRESENTATIVES,
SELECT COMMITTEE ON AGING,
SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT,
Washington, DC

The subcommittee met, pursuant to notice, at 10:08 a.m., in Room 2220, Rayburn House Office Building, Hon. William J. Hughes, (chairman of the subcommittee) presiding.

Subcommittee members present: Representatives Hughes, Manton, and Tauke.

Also present: Representatives Frank, DeFazio and Bilbray.

Staff Present: Brian Lutz, Staff Director; Amy Melnick, Research Assistant; Bill Walsh, Intern; and Ann O'Donnell, Minority Deputy Director.

OPENING STATEMENT OF CHAIRMAN WILLIAM J. HUGHES

Mr. HUGHES. The Subcommittee on Retirement Income and Employment will come to order. Good morning. The purpose of today's hearing is to examine how Social Security services have been affected by an agencywide staffing cut of some 22 percent since 1984. Many local Social Security offices have been particularly hard hit by this process, with a large percentage losing more than a fourth of their personnel and some offices being cut nearly in half.

We are very fortunate to have with us today the Commissioner of the Social Security Administration, Gwendolyn King, who has chosen this hearing to provide the Congress with the first detailed description of her proposals for addressing the agency's staffing imbalances.

Commissioner King, we are honored to have you with us today. You are to be seriously and sincerely commended for your leadership and candor in taking positive steps for addressing this serious imbalance. I look forward to learning more about these important first steps toward solving the most serious office shortages.

However, I am convinced that a more permanent solution to these costly problems must include restoring appropriate staffing levels to the field offices and teleservice centers. At every level of Social Security's processing system, I found significant evidence that SSA is increasingly unable to provide appropriate, timely and cost-effective service.

I would like to briefly summarize some of the more telling evidence which has led me to this conclusion.

Following numerous complaints from individuals in my own congressional district that they were having difficulty accessing Social Security services, I asked the American Federation of Government Employees to conduct a survey of Social Security employees throughout New Jersey. The results are very troubling. Only 4 percent of the respondents believe that there are enough staff in the office to carry out SSA's mission. Seventy-seven percent report that office waiting times are not improving. Only 7 percent report that post-entitlement cases are processed in a timely manner.

Two-thirds characterize their own morale as poor or extremely poor. While SSA's teleservice system is supposed to make less work in the field offices, the exact opposite seems to be happening. Eighty-six percent report that the teleservice is making more work in their offices. Only 4 percent believe the teleservice is doing a good job screening out those who can be taken care of without an office visit.

Two surveys just completed by the Social Security Management Association reveal that many of these problems are not only occurring in New Jersey. A survey of Social Security managers in the New York region reveals that 78 percent of the respondents lost more than 20 percent of their staff. Two-fifths lost 30 percent. As a result, 55 percent of the managers use short cuts in order to get work cleared and 69 percent are unable to handle all workloads.

A national survey of Social Security managers found that 68 percent are unable to conduct an effective quality review program and 83 percent are losing ground processing post-entitlement backlogs. The Social Security Administration's own internal 1989 on-site review process warns that delays in processing these workloads can result in substantial and unnecessary outlays from the Social Security Trust Funds. What really concerns me about these staffing cuts is that while we may have achieved some short-term budget savings, it is going to end up costing the taxpayers and beneficiaries much more through increased mistakes and benefit underpayments and overpayments.

How can we stop more mistakes from happening when two-thirds of Social Security Administration's managers say they are unable to conduct an effective quality review program? We are already beginning to see the consequences of this difficulty. A recent review of over 2000 Social Security disability cases found that nearly 70 percent—70 percent—contain one or more deficiencies.

Another study by the Office of Program Integrity and Review reveals that for every dollar invested in interviewing and development, we prevent $7 in incorrect payments. What is perhaps most illogical about what has occurred is that we have made these cuts when administrative costs for the Social Security Administration are already extremely low, totaling less than 1 percent of the program's cost.

I believe it is time to admit we are making a costly mistake. I intend to work with you and others to restore Social Security staffing to a more cost-effective level.

We will not only save money, but we will improve the integrity of a program that is of vital importance to nearly every American. I look forward to working with you, Commissioner King, in this regard and to hearing the testimony of our distinguished group of witnesses today.

[The prepared statement and attachments submitted by Chairman Hughes follows:]

PREPARED STATEMENT OF CHAIRMAN WILLIAM J. HUGHES

Good morning, Ladies and Gentlemen. Welcome to today's hearing which will examine how Social Security services have been affected by an overall cut of more than 21% of the agency's staff since 1984. Staffing levels in local Social Security offices have been hit particularly hard by this downsizing process, with the average office losing approximately one-fourth of its staff, and some offices losing over 40% of their personnel.

In 1984, Congress appropriated funds for over 80,250 full time equivalent (FTE) staff in the Social Security Administration (SSA). Presently, SSA is comprised of approximately 62,500 FTE's, a reduction of some 17,750 staff in just six years. **I strongly believe that this rapid reduction in staff has left the Social Security Administration too crippled to appropriately carry out its mandate in an effective and humane manner.**

We are very fortunate to have with us today the Commissioner of the Social Security Administration, Gwendolyn King. I am honored that the Commissioner has chosen this hearing of the Subcommittee on Retirement Income and Employment to provide the Congress with the first detailed description of her action plan for addressing the agency's staffing imbalances and shortages. I believe these proposals are an important first step toward solving some of the most serious, short-term problems.

However, based on complaints received from my constituents in New Jersey, and the data, information, and evidence supplied to the Subcommittee on Retirement Income and Employment, I am convinced that a more complete, longer-term approach to the decline in the delivery of Social Security services can only be addressed through more appropriate staffing levels in the field offices and teleservice centers.

I believe it is time to admit we made a mistake. We cut Social Security staff too drastically before we modernized the computer system, before we established and evaluated the consequences of a national toll-free telephone system, and before we analyzed the effects of these changes on field offices and program service centers.

What is worse, we made these severe cuts at a time when administrative costs for the Social Security Administration are already extremely low - totalling less than 1% of the program's costs. I do not believe there are many programs in the private or public sector that can beat that level of efficiency.

Ironically, these staffing cuts, which provided some short-term budget savings, could very well end up costing more in the long-term to taxpayers and beneficiaries through increased mistakes and benefit overpayments and underpayments.

I intend to work to restore a more appropriate level of staffing at Social Security which is more in line with the vital role the program plays in the very health and well-being of millions of Americans. I look forward to working with Commissioner King in this regard.

Social Security Case Histories

Many of the problems regarding the delivery of Social Security services were brought to my attention by the increased complaints of my constituents in New Jersey. What is particularly troubling is that these people contacted Social Security at a very stressful time in their lives, only to be faced with telephone busy signals, delays in getting benefits, and frustrating experiences in trying to have their cases resolved by Social Security field offices.

For instance, the husband of one of my constituents died in March of 1989. This situation in and of itself was of course very stressful. In addition, she had the financial stress of losing her husband's pension of $600 per month. Social Security then reached into her bank account and erroneously reclaimed the husband's February Social Security benefits, even though he had passed away in March.

This constituent told me that she was "totally frustrated" in trying to get the situation corrected because every time she contacted Social Security she would end up talking to a different person and would have to retell her story over and over again. It took close to a year to get this extremely unfortunate situation straightened out.

Another woman in my District who became a widow in May of 1989 was told that her widow's benefits would begin in June. When the benefits did not come, she tried for a number of months to get the situation corrected by repeatedly contacting the local Social Security office. During one of these attempts, she was put on hold for over ten minutes and then was informed that she should call SSA's national 1-800 telephone number. However, when she did, the teleservice operator eventually hung up on her because she was told that there was nothing the operator could do to help her. It took nearly half a year for the payment problem to get corrected.

A footnote to this problem is that once the benefit amount got straightened out, the beneficiary then had problems getting her check deposited directly into her bank account.

Another constituent was documented to be totally disabled with coronary artery disease in 1985. She applied for, and was awarded, permanent disability from the Social Security Administration. In 1988, her husband passed away with a malignant tumor. She wrote to me that "the bulk of our monthly income ceased with his death and I was left in a state of panic, as his illness and subsequent demise surfaced and ended within a two month period of time."

The woman's funeral director, not Social Security, advised her to apply for surviving widow's disability benefits against her husband's Social Security benefits. Her daughter then called SSA's toll-free telephone service but received numerous busy signals. After finally getting through, she was informed that someone from the Social Security Administration would call her mother back within two weeks. No one called.

Since the woman's daughter had returned to California by that time, she tried to call the toll-free Social Security number herself. First, she was disconnected. When she tried again she was put on hold for nearly fifteen minutes. After getting through to SSA, she discovered there was no record that her daughter had called, so she had to repeat the experiences relating to her husband's death. The person on the phone apologized for the mistake, adding that recent cuts in staff had left them short-handed. She was told that forms would be sent to her in the mail to fill out.

When she received the forms, it took the woman five hours to gather and complete the information. She was puzzled about this process because she assumed that much of the information SSA was requesting should already have been on file.

To compound the problem, there was also an error in the $250 funeral benefit. It took over six months to get these benefit adjustments corrected.

This woman wrote, "Time and space do not allow for a detailed log of my experiences while waiting for the claim to be investigated. I suffered such emotional distress and physical pain -- tears and anxiety... I would never have lived through that mess, or the episode that followed, on or about November 1989."

I do not want to give the impression that these problems are the norm at Social Security or that they happen on a frequent basis. The vast majority of Social Security's casework seems to be handled in a timely and appropriate manner. However, given the increased frequency with which my Congressional office was becoming involved in Social Security casework, and the undue stress these cases were causing for beneficiaries, I decided to examine this situation more thoroughly. I am very alarmed by what I learned.

At every level of Social Security's service delivery system, I found significant evidence that SSA is experiencing an increasingly serious problem trying to provide appropriate, timely and accurate service.

Summary of New Jersey Social Security Office Survey

In order to assess the experiences and opinions of non-management staff in my Congressional District and in Social Security offices located throughout New Jersey, last month I asked the American Federation of Government Employees to distribute a survey to employees in New Jersey Social Security offices. A total of 24 offices were surveyed. As of March 6, I had received responses from 16 offices. A total of 287 nonmanagement employees out of 384 in these offices completed and returned the survey. The data were compiled by staff of the Subcommittee on Retirement Income and Employment. (See attached copy of "Summary Tally of New New Jersey Social Security Office Surveys). Among the more significant findings:

In the four Social Security offices located in New Jersey's Second District, 89% either disagreed or strongly disagreed that there are enough staff in the offices to carry out SSA's mission. Sixty-five percent said waiting times in the offices have not improved; two-thirds reported that Social Security's post-entitlement workloads are not processed in a timely manner; and **93% reported that SSA's teleservice system is not doing a good job screening persons who could be taken care of without an office visit.**

Recent Social Security office reductions have caused such stress and workload pressures that three-fifths of the workers in these offices characterize their morale as poor or extremely poor.

The results for New Jersey as a whole are similar, though somewhat worse, than the experiences in my District: **95% of the respondents throughout New Jersey either disagreed or strongly disagreed that there are enough staff to carry out Social Security's mission.** Seventy-seven percent said waiting times in Social Security offices have not improved; 79% said post-entitlement workloads are not processed in a timely manner; and **87% said that the teleservice centers are not doing a good job screening persons who could be taken care of without an office visit. Two-thirds of the New Jersey Social Security office respondents characterized their morale as poor or extremely poor.**

Summary of Social Security Manager Survey in New York Region

The findings of these Social Security offices are of such concern that I questioned whether these experiences are occurring elsewhere as well. Two surveys just completed by the Social Security Management Association reveal that these serious problems are occurring to a significant degree throughout the country. A survey of Social Security managers in the New York region (which includes New Jersey), yielded the following results:

"Seventy-eight percent of respondents have lost more than 20% of their staff - 43% lost over 30%.

"Eighty-nine percent of the managers who responded to the survey spend more than 10% of their time performing basic office operations; 46% spend over 1/3 of their time in such operations."

"Fifty-five percent of the respondents use 'shortcuts' or other methods in contradiction to operation instructions in order to get work cleared in time to meet goal standards."

"Sixty-nine percent are unable to handle all workloads."

Summary Findings of National Survey of Social Security Managers

The findings of a national survey of Social Security managers yielded similar results:

"Seventy percent of the respondents lost more than 20% of their staff since 1984; 37% lost more than 30%."

"Sixty-eight percent are not able to conduct an effective quality review program in their office, and forty-three percent routinely use 'shortcuts' or other methods to get work cleared which do not follow operational instructions."

"Eighty-three percent are losing ground in processing post-entitlement and nonclaims backlogs."

If two-fifths of Social Security's managers need to resort to shortcuts to get work completed in a timely manner, and two-thirds are not able to conduct effective quality reviews, what does this say about the likelihood that mistakes will ultimately increase? How can these staffing cuts be thought of as being productive, efficient or cost-effective? (For more complete results of these findings, see attached copy of "Social Security Management Association's National Survey - February 1990").

SSA's 1989 Onsite Process Review Initiative

These problems are further substantiated by many of the findings in the 1989 Onsite Review Process study conducted by the Social Security Administration.

"Office priorities are generally driven by resource allocation and performance measurement methodologies which do not necessarily encourage effective and efficient practices."

"Downsizing the Agency through attrition has resulted in variant staff declines, with larger offices in metropolitan areas suffering the most significant losses because the natural attrition at these sites is being used to offset the lack of attrition in smaller, more stable rural and suburban offices. **As a result, large field offices have generally experienced more problems associated with downsizing, such as backlogs, out-of-position work, and high stress levels, to a greater degree than smaller sites. However, although isolated exceptions exist, most offices feel this strain.**"

"Because of limited staffing and logistical problems inherent with providing multiple service delivery modes in a quality manner, some sites are experiencing difficulties providing the customer a true choice of being served face-to-face or by telephone."

Effectiveness of SSA's National Toll-Free Telephone Number

Ohe of the major justifications for reducing Social Security staff in the field offices is that SSA's national, toll-free telephone number would do a good job of screening requests, and that less work would need to be done by the field offices. Unfortunately, the opposite has happened and the **teleservice system is making more work in the field offices where there are now less staff to handle the demand.**

In the survey of New Jersey Social Security offices, 86% of **the respondents either disagreed or strongly disagreed with the statement: "The 1-800 telephone service has reduced the workload in my office."** This survey also revealed that 92% do not believe that people who are referred to Social Security offices by the teleservice centers are well-informed about their situation.

Effectiveness of SSA's Computer Modernization Process

Another assumption in justifying the staff downsizing process is that improvements in SSA's computer modernization process, as outlined in its automated data processing (ADP) report, would make up for the reduction in staff. Unfortunately, the jury is still out on whether this assumption is accurate.

SSA's ADP report estimates that over the next five years additional dollars will be required to "maintain, improve, and expand the agency's telecommunication network to provide customer access to SSA and quick access to customer information, through a reliable network of computer terminals and personal computers."

According to a September, 1989 report of the General Accounting Office (GAO), however, the SSA estimates do not identify the specific telecommunication projects to be undertaken during the 5-year period, the staff needed to accomplish them, their costs or their milestones.

If SSA's 1989 report on its computer modernization plan is determined by GAO to be incomplete, and we do not yet know the effectiveness of this system, nor the staff needed to accomplish the system's goals, why did we cut staff before we had this information? Why are we gambling that the effectiveness, accuracy, and integrity of the Social Security system will not be compromised by cutting staff before these analyses can be made? This seems to me to be a crazy and dangerous way to run a system which is vital to nearly every American at some point in their lives.

Staffing Implications of Recent Supreme Court Ruling on Disability

Since the mid-1970's, approximately 500,000 low income children with severe disabilities have been rejected for special childhood disability benefits under the Supplemental Security Income (SSI) program. However, the Supreme Court recently ruled that Social Security's regulations employ a harsher disability test for children than for adults, and that this test is harsher than intended by Congress.

Consequently, up to 250,000 children rejected from receiving SSI disability benefits since 1983 will be entitled to have their cases reopened to see if they qualify under the new rules. Another 250,000 children who had their cases determined before 1983 may also have to be re-evaluated, pending another court decision. I am very interested in learning more today about the staffing implications of this decision.

We are very fortunate to have a distinguished group of witnesses who can provide the Subcommittee with important information on these and other issues. It is my sincere hope that today's hearing will provide both short- and long-term solutions for restoring the types of humane services that beneficiaries have a right to expect from the Social Security system.

SUMMARY TALLY OF NEW JERSEY SOCIAL SECURITY OFFICE SURVEYS
DISTRIBUTED BY
AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES (AFGE)

METHODOLOGY

At the request of Congressman William J. Hughes, (D-NJ), AFGE distributed a survey during the last two weeks in February, 1990 to the 24 Social Security offices in New Jersey. The survey was to go to all nonmanagement personnel in the offices. As of March 6, 1990, a total of 16 of the 24 offices responded. In these offices, a total of 384 surveys were distributed and 287 were returned completed. The data were compiled by staff of the Subcommittee on Retirement Income & Employment of the House Select Committee on Aging.

CODES FOR QUESTIONS 1-17

1. I Strongly Agree
2. I Agree
3. I Am Undecided
4. I Disagree
5. I Strongly Disagree

STATEWIDE SURVEY RESULTS

1. There are enough staff to carry out SSA's mission in my office.

# 1 1 2 11 3 4 4 88 5 183

% 1 0% 2 4% 3 1% 4 31% 5 64%

2. I am comfortable with the way SSA is managing the downsizing process.

# 1 0 2 6 3 35 4 83 5 163

% 1 0% 2 2% 3 12% 4 30% 5 57%

3. The amount of time clients wait in the office has improved compared to previous years.

# 1 3 2 25 3 37 4 83 5 136 No Response 3

% 1 1% 2 9% 3 13% 4 29% 5 48%

4. Post-entitlement workloads are processed in a timely manner.

# 1 1 2 20 3 37 4 76 5 148 No Response 5

% 1 0% 2 7% 3 13% 4 27% 5 52%

. Post-entitlement backlogs are decreasing.

# 1 2 2 11 3 41 4 88 5 142 No Response 3

% 1 1% 2 4% 3 14% 4 31% 5 50%

6. My office has had to employ inappropriate use of the N-20 process due to pressure to clear redeterminations.

1 12 2 15 3 136 4 38 5 36 No Response 50

% 1 5% 2 6% 3 57% 4 16% 5 15%

7. Service to the homebound has improved in recent years.

1 9 2 34 3 62 4 70 5 106 No Response 6

% 1 3% 2 12% 3 22% 4 25% 5 38%

8. My office is conducting enough SSI outreach to the elderly, disabled, and blind in the service area.

1 15 2 45 3 97 4 53 5 51 No Response 26

% 1 6% 2 17% 3 37% 4 20% 5 20%

9. The 1-800 telephone service has reduced the workload in my office.

1 4 2 12 3 23 4 77 5 169 No Response 2

% 1 1% 2 4% 3 8% 4 27% 5 59%

10. People who are referred to my office by the teleservice centers are well-informed about their situation.

1 2 2 4 3 17 4 91 5 170 No Response 3

% 1 1% 2 1% 3 6% 4 32% 5 60%

11. The teleservice centers are doing a good job screening persons who could be taken care of without an office visit.

1 3 2 10 3 25 4 109 5 140

% 1 1% 2 3% 3 9% 4 38% 5 49%

12. I have adequate resources and equipment to do my job.

1 7 2 77 3 20 4 91 5 92

% 1 2% 2 27% 3 7% 4 32% 5 32%

13. I have received adequate training to do my job.

1 14 2 125 3 28 4 70 5 50

% 1 5% 2 44% 3 10% 4 24% 5 17%

14. Overall, my co-workers have received adequate training to do their jobs.

1 4 2 95 3 58 4 85 5 44 No Response 1

% 1 1% 2 33% 3 20% 4 30% 5 15%

15. My office will be able to provide high quality services to claimants and beneficiaries during the coming year.

1 3 2 32 3 64 4 97 5 91

% 1 1% 2 11% 3 22% 4 34% 5 32%

16. I often leave work with a sense of a job thoroughly done.

1 15 2 52 3 32 4 94 5 94

% 1 5% 2 18% 3 11% 4 33% 5 33%

17. Staffing and workload problems at SSA can be solved by shifting personnel from offices with "excess" staff to those with staffing shortages.

1 8 2 37 3 63 4 71 5 101 No Response 7

% 1 3% 2 13% 3 23% 4 25% 5 36%

PLEASE ANSWER YES OR NO FOR QUESTIONS 18-22

18. Are non-clerical staff performing clerical duties?

YES 261 NO 24 DK 2

19. Do managers perform non-management duties?

YES 172 NO 105 DK 10

20. Are phones put on hold/not answered due to staff shortages?

YES 200 NO 84 DK 3

21. Does the office have restricted hours of service?

YES 43 NO 238 DK 6

22. Are staff presently being shifted to the teleservice centers on a temporary or part-time basis?

YES 29 NO 248 DK 10

23. How would you characterize the overall morale of your coworkers?

		NUMBER	PERCENT
1.	Extremely High	0	0
2.	High	3	1 %
3.	Average	34	12 %
4.	Poor	105	37 %
5.	Extremely Poor	132	46 %
6.	Unsure	13	4 %

24. How would you characterize your own morale?

		NUMBER	PERCENT
1.	Extremely High	1	0
2.	High	13	5 %
3.	Average	85	30%
4.	Poor	90	31 %
5.	Extremely Poor	97	34 %
6.	Unsure	1	0

SUMMARY TALLY OF SOCIAL SECURITY OFFICES IN SECOND DISTRICT, NEW JERSEY DISTRIBUTED BY AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

METHODOLOGY

All four Social Security offices in Congressman Hughes' district responded to a survey conducted the last week in February and the first week in March, 1990. A total of 80 forms were distributed, one for each non-management employee in the offices; 66 surveys were returned, for a total response rate of 83%. The data were tallied by staff of the Subcommittee on Retirement Income and Employment. (Percentages below may not total 100 due to rounding).

CODES FOR QUESTIONS 1-17

1. I Strongly Agree
2. I Agree
3. I Am Undecided
4. I Disagree
5. I Strongly Disagree

SURVEY RESULTS

1. There are enough staff to carry out SSA's mission in my office.

#	1	1	2	4	3	2	4	31	5	28
%	1	2%	2	7%	3	3%	4	47%	5	42%

2. I am comfortable with the way SSA is managing the downsizing process.

#	1	0	2	2	3	12	4	26	5	26
%	1	0%	2	3%	3	18%	4	39%	5	39%

3. The amount of time clients wait in the office has improved compared to previous years.

#	1	0	2	10	3	12	4	23	5	20	DK	1
%	1	0%	2	15%	3	18%	4	35%	5	30%	DK	2%

4. Post-entitlement workloads are processed in a timely manner.

#	1	0	2	7	3	14	4	25	5	20
%	1	0%	2	11%	3	21%	4	38%	5	30%

5. Post-entitlement backlogs are decreasing.

#	1	0	2	3	3	16	4	28	5	19
%	1	0%	2	5%	3	24%	4	42%	5	29%

6. My office has had to employ inappropriate use of the N-20 process due to pressure to clear redeterminations.

	1	2	3	4	5	DK
#	1	2	37	13	11	2
%	2%	3%	56%	20%	17%	3%

7. Service to the homebound has improved in recent years.

	1	2	3	4	5
#	1	8	20	17	20
%	2%	12%	30%	26%	30%

8. My office is conducting enough SSI outreach to the elderly, disabled, and blind in the service area.

	1	2	3	4	5
#	1	18	28	11	8
%	2%	27%	42%	17%	12%

9. The 1-800 telephone service has reduced the workload in my office.

	1	2	3	4	5
#	1	4	9	24	28
%	2%	7%	14%	36%	42%

10. People who are referred to my office by the teleservice centers are well-informed about their situation.

	1	2	3	4	5
#	0	2	4	31	29
%	0%	3%	6%	47%	44%

11. The teleservice centers are doing a good job screening persons who could be taken care of without an office visit.

	1	2	3	4	5
#	0	3	2	34	27
%	0%	5%	3%	52%	41%

12. I have adequate resources and equipment to do my job.

	1	2	3	4	5
#	1	23	8	21	13
%	2%	35%	12%	32%	20%

13. I have received adequate training to do my job.

	1	2	3	4	5
#	5	28	6	19	8
%	8%	42%	9%	29%	12%

14. Overall, my co-workers have received adequate training to do their jobs.

	1	2	3	4	5
#	2	24	12	24	4
%	3%	36%	18%	36%	7%

15. My office will be able to provide high quality services to claimants and beneficiaries during the coming year.

	1	2	3	4	5
#	0	11	18	25	12
%	0%	17%	27%	38%	18%

16. I often leave work with a sense of a job thoroughly done.

	1	2	3	4	5
#	1	17	12	20	16
%	2%	26%	18%	30%	24%

17. Staffing and workload problems at SSA can be solved by shifting personnel from offices with "excess" staff to those with staffing shortages.

	1	2	3	4	5
#	3	12	9	23	19
%	5%	18%	14%	35%	29%

PLEASE ANSWER YES OR NO FOR QUESTIONS 18-22

18. Are non-clerical staff performing clerical duties?

YES 61 NO 4 DK 1

19. Do managers perform non-management duties?

YES 46 NO 17 DK 3

20. Are phones put on hold/not answered due to staff shortages?

YES 36 NO 28 DK 2

21. Does the office have restricted hours of service?

YES 5 NO 60 DK 1

22. Are staff presently being shifted to the teleservice centers on a temporary or part-time basis?

YES 1 NO 65

23. How would you characterize the overall morale of your coworkers?

		NUMBER	PERCENT
1.	Extremely High	0	0
2.	High	0	0
3.	Average	11	17%
4.	Poor	21	32%
5.	Extremely Poor	23	35%
6.	Unsure	11	17%

24. How would you characterize your own morale?

		NUMBER	PERCENT
1.	Extremely High	1	2%
2.	High	3	5%
3.	Average	22	33%
4.	Poor	26	39%
5.	Extremely Poor	14	21%
6.	Unsure		

NATIONAL COUNCIL
SOCIAL SECURITY MANAGEMENT ASSOCIATIONS
MANAGERS NATIONAL SURVEY - FEBRUARY 1990

1. What percentage of staff have you lost since 1984?
   6% less than 10%, 24% 11%-20%, 33% 21%-30%, 25% 31%-40%, 12% over 40%

2. What percentage of your time is spent performing operational duties out of your position--for example,opening mail, reception, claims representative, etc.--because of insufficient staff?
   12% less than 10%, 23% 10%-20%, 23% 21%-30%, 16% 31%-40%, 14% 41%-50%, 12% over 50%

3. How long have you routinely been performing duties out of your position?
   3% less than 4 months, 4% 4-8 months, 7% 8-12 months 86% over 12 months

4. Have your traditional management/supervisory duties--for example, audits, planning, public contacts, security--suffered significantly because of the time you must spend on operational duties?
   81% Yes, 19% No

5. How much unpaid overtime do you donate each week?
   12% None, 12% 0-1 Hours, 35% 1-4 Hours, 23% 4-7 Hours, 11% 7-10 Hours, 8% Over 10 Hours

6. Are you able to conduct an effective quality review program in your office?
   32% Yes, 68% No

7. Do you routinely use shortcuts or other methods to get work cleared which do not follow operational instructions or take extraordinary steps to improve goal numbers? 43% Yes, 57% No

8. Do you receive excessive pressure to perform better than the maintenance goals established by Central Office?
   51% Yes, 49% No

9. Are you handling all of your workloads, including workloads not measured?
   3% comfortably, 47% with adjustments, 49% unable to handle all workloads

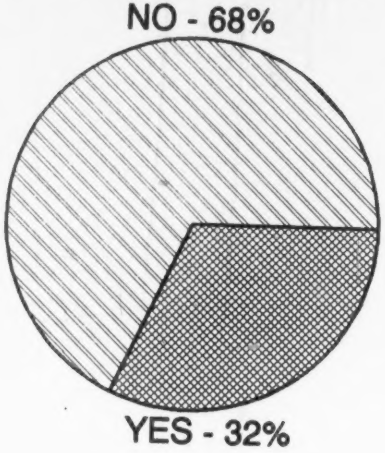
10 Are you losing ground in processing post-entitlement and nonclaims backlogs as quickly as good public service would require? 83% Yes, 17% No

11 Can your office conduct an effective SSI outreach program with your current staff? 22% Yes, 78% No

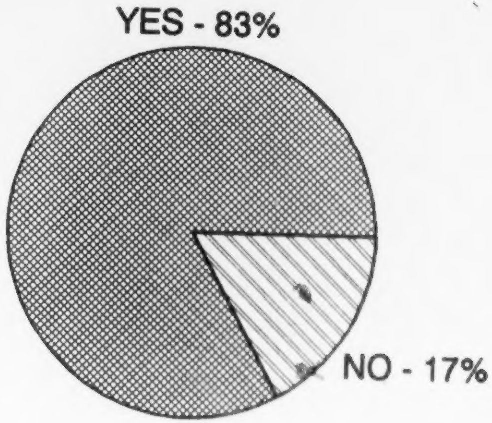
12 Has downsizing forced you to promote less talented employees than you would have 3 years ago? 57% Yes, 43% No

3300 Surveys Distributed - 60% Response Rate

Are You Able to Conduct an Effective Quality Review Program in Your Office?

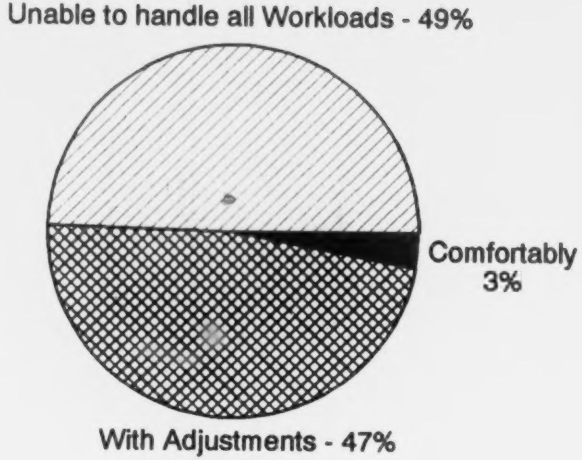


Are You Losing Ground in Processing Non-Claims Work?

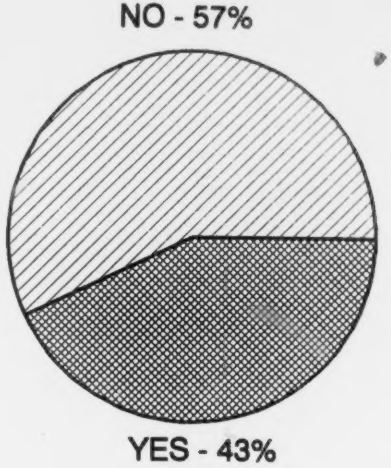


Source: National Council, Social Security Management Association National Summary, February 1990.

Are You Handling All Your Workloads?



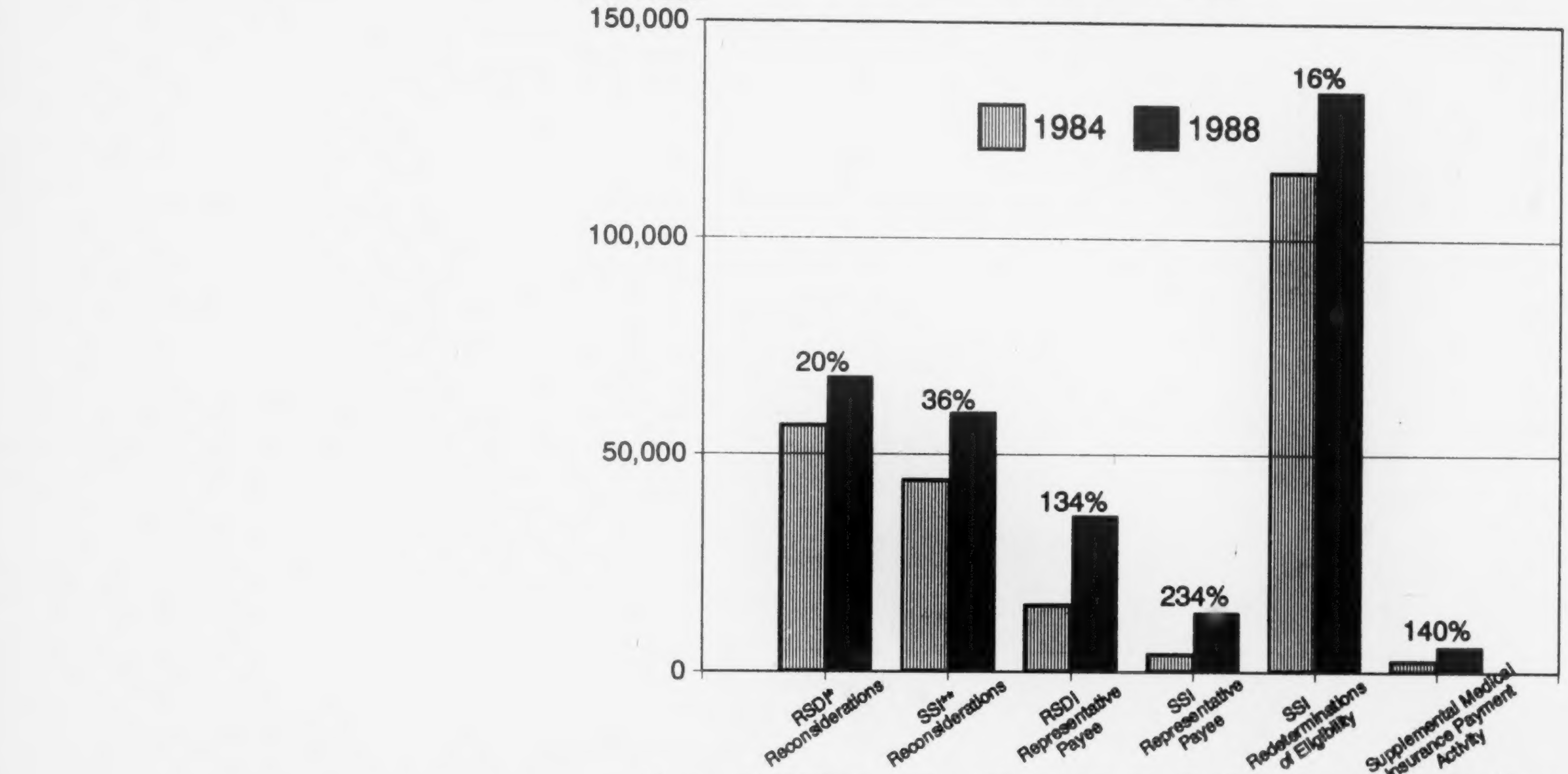
Do You Routinely Use Shortcuts or other Methods to Get Work Cleared - or Take Extraordinary Steps to Improve Goal Numbers?



Source: National Council, Social Security Management Association National Summary, February 1990.

Post-Entitlement Workloads Pending in Field Offices

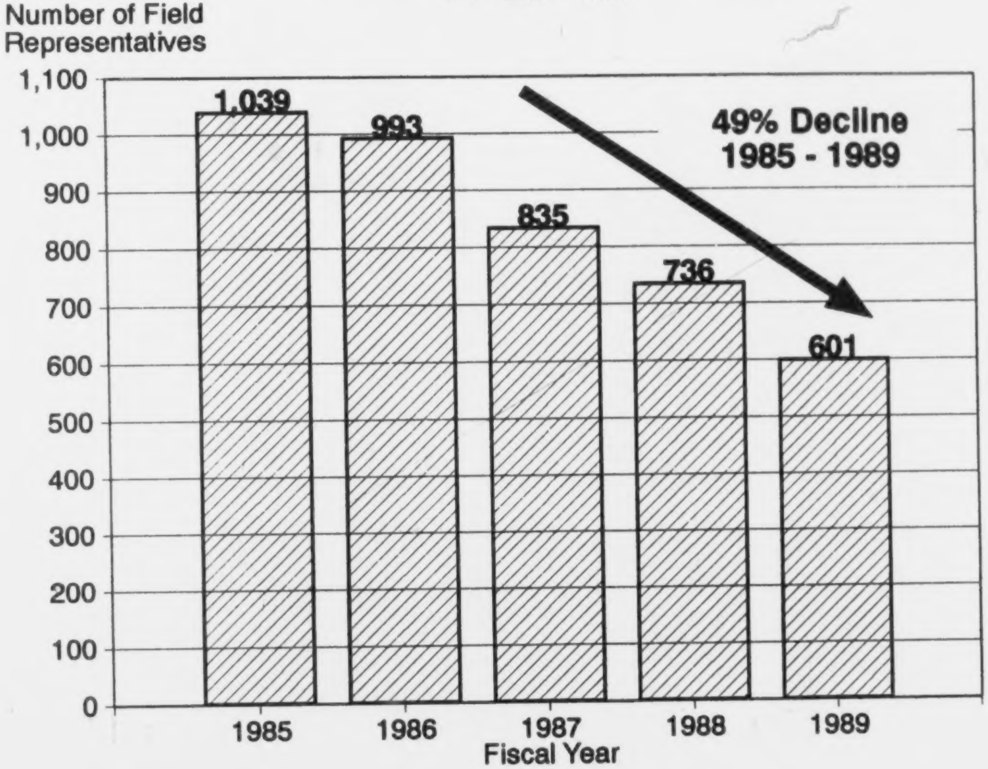
FY 1984 and 1988



Source: GAO/HRD-89-106BR (*Retirement, Survivors, Disability Insurance and **Supplemental Security Income)

Field Representatives on Duty

FY 1985 - 1989



Source: GAO

The Chair recognizes the distinguished gentleman from Iowa, Mr. Tauke, for such opening statement as he desires to make.

STATEMENT OF REPRESENTATIVE THOMAS J. TAUKE

Mr. TAUKE. Thank you, Mr. Chairman. Mr. Chairman, first I ask unanimous consent to include a prepared statement in the record.

Mr. HUGHES. Without objection, it is so ordered.

Mr. TAUKE. Mr. Chairman, I wish to join with you in welcoming Commissioner King to this hearing. We are, indeed, honored to have you with us today and I want to take this opportunity to commend you for the steps that you have been taking to attempt to address many of the difficulties that confront service delivery in the Social Security system.

I believe that over the last several months, there is substantial evidence that the attitude has changed, that there is a real desire to address some of the concerns that have been raised and steps have been taken to begin to address some of these matters and, for that, I commend you and I am grateful.

It is good to have the opportunity to sit down and chat with you a little bit about what your plans are for dealing with these issues and I look forward to the hearing.

There are a couple of matters that I want to take this opportunity to address because I think they are of considerable concern. One is the 800 teleservice system. Since that system has been instituted, we have had, in our office, and I believe other Members of Congress have had in their offices, an increase in numbers of complaints about access to Social Security. I was pleased that you, as Commissioner, opened up access to some of the local offices to let them get around the 800 teleservice number.

I know in some of the local offices, the managers have simply been giving out their local number so that people can get access to Social Security offices. It is not surprising that there would be complaints because, as the memo you received from the project director on March 1st indicated, there is a substantial busy rate for those who call the 800 teleservice number.

Some days, when there aren't many calls, the busy rate is very low, as low as 1.6 percent on the 16th of February, but generally the busy rate is much higher, and on days after checks come out, the ability of the teleservice system to handle the calls simply is not adequate. For example, on the 5th of February, there were over 1.9 million calls to the 800 teleservice number, just 262,000 were answered. There was a busy rate of 85.3 percent.

The next day, on the 6th of February, there were over a million calls. Again, a busy rate of 73 percent. The day after the holiday on the 19th of February, on the 20th, there were almost a million calls and a busy rate of 68 percent.

Clearly, those who are in need of the services of the Social Security system should be able to get timely access to the offices and so I hope we can continue to see how we can improve the operation of the teleservice system and permit people to have a system where their calls get answered.

The second area of considerable concern relates to the backlogs in the Social Security offices. A survey conducted by the Social Security Managers Association underscores some of the problems in the field. I was deeply concerned by the response to that survey on the question of backlogs. Eighty-three percent of respondents indicated that they are falling behind on backlogs and as of the current time, we don't even have a good measure of the size of the backlog of work in many of the offices.

So I hope that we will be able to have some discussion of that issue as well today.

While there are those problems, let me emphasize again that I am very pleased that you are, first of all, shedding light on some of the shortcomings that are in the field in the Social Security system and you are exerting your leadership to address those problems. I believe that working together, we can make substantial progress in ensuring that we have a Social Security Administration that provides good service to the recipients of Social Security services.

Thank you.

[The prepared statement of Mr. Tauke follows:]

STATEMENT FOR THE RECORD
THE HONORABLE TOM TAUKE
HEARING OF THE
SUBCOMMITTEE ON RETIREMENT INCOME & EMPLOYMENT
MARCH 8, 1990

I commend the distinguished chairman of the subcommittee for convening this important hearing to further examine the quality of service delivery by the Social Security Administration (SSA). Our subcommittee has held numerous hearings on the quality of SSA service delivery. I am particularly pleased that today we can point to significant progress at the agency in improving service delivery at the local level and in teleservice. I also commend SSA Commissioner for the strong leadership that she has demonstrated during her brief tenure at the agency. It is about time that we had some good news on the service delivery issues.

Since SSA implemented the downsizing plan, many claimants and beneficiaries have contacted me to share their deep concerns about the impact that staff reductions have had on the local Social Security field offices. Considering that they were already shaken by SSA's financial crisis of the early 1980's, it is no wonder that the public's confidence was further shaken by the downsizing policy.

STAFF CUTS

When the Systems Modernization Plan (SMP) was implemented in 1982, SSA took a hard look at the structure of the agency overall. The objective of SMP was to improve productivity. Enhanced automation would also reduce staff demands. Thus, the agency (with congressional approval) moved forward with a plan to reduce staff by about 20 percent over five years. In 1984, SSA employed 80,000 workers. By 1990, SSA had reduced staff to about 62,000.

SSA implemented an attrition policy, which left the agency vulnerable to service gaps. While I agree that a attrition policy is the fairest alternative for the SSA workforce, I was deeply concerned about the impact that this policy would have on local field offices. Additionally, as the 800 teleservice system was initiated, staff was diverted from field offices to teleservice. While teleservice was generally fully staff, field office staff continued to decline.

Since the downsizing policy began, the Office of Inspector General has conducted client surveys to gauge the impact of Systems Modernization on client satisfaction. SSA consistently scored high marks with the American public. One issue to note regards the content and clarity of SSA mail, it is interesting to note that while 13 percent of respondents indicated that the mail was hard to very hard to understand, 49 percent had to contact SSA or someone else to find out what the mail meant.

The General Accounting Office (GAO) has underscored problems that staff cuts have created at SSA, specifically problems with everincreasing backlogs. As well as can be determined, due to method by which SSA measures backlogs, GAO reported last year that backlogs increased by about 20 percent in eleven post-entitlement workloads. While increased productivity generally can account for a some increase in backlogs, I am still concerned about the backlogs in the field.

As local field offices came under increasing pressure to maintain certain productivity levels, offices were cutting back outreach efforts and public information activities. I was troubled when field offices ended rural community visits (contact stations). For many older Iowans living in rural areas, travel to communities with Social Security offices can be difficult and costly. Contact stations represented their link to SSA.

Another area of concern to older Iowans was the proposed closing of many Social Security offices. While the initial 1985 plan was stopped after significant pressure from the Congress, frequently, proposals to close or "consolidate" SSA field offices have surfaced. I want to underscore my opposition to closing field offices. While nationwide 800 teleservice provides an additional, convenient mode of communication for SSA clients, it should not be viewed as a replacement for face-to-face service in local field offices.

TELESERVICE

SSA teleservice has certainly had its problems. On numerous occasions, I have shared concerns and complaints about teleservice with the commissioner. While I understand that teleservice, like any new major program is bound to have "kinks" to work out, problems with teleservice have had a serious impact on service delivery through both the teleservice network and in the local offices.

Client satisfaction surveys consistently indicate that the majority of SSA clients prefer to conduct business by telephone. Last year, 68 percent of those surveyed responded that they prefer to contact SSA by telephone (compared with 32 percent who choose to visit local offices). It would appear that this statistic would alleviate workloads at the local offices. To the contrary, teleservice frequently increases the workload at the local office.

When nationwide teleservice began in October 1989, SSA projected that the system would receive around 55 million calls per year. In the first three months alone, teleservice received more than 18 million calls. This unanticipated volume has created unacceptable busy rates. For example, more than 50 percent of the 12.5 million attempted calls to teleservice in January received busy signals. Granted that January is the peak month of the year (the annual cost-of-living adjustment is reflected in the January benefit check, and this year, repeal of the Medicare Catastrophic Coverage Act increased inquiry rates), busy rates are a major problem for teleservice.

Another problem with teleservice is accuracy rates. According to the Onsite Process Review Initiative conducted last fall, training of teleclaims representatives is inadequate. SSA has hired many employees to man teleservice centers. Yet, under the current training program, teleclaims representatives are not even provided basic interviewing training.

Accuracy rates average around twelve percent for all inquiries and as high as **50 percent** for SSI questions. Last year, SSA conducted a random survey of teleservice centers and asked routine questions of teleclaims representatives. Twenty-four percent of the responses to a question regarding the impact that living in the home of another has on SSI benefits. Teleservice training programs should be reviewed and improved. Incorrect answers can lead to incorrect benefit payments. Incorrect benefit payments adversely affect beneficiaries.

The Process Review teams also heard complaints about the impact of teleservice on field offices and processing centers. Underestimates of the number of calls to teleservice often result in unanticipated demands on local offices to provide back-up resources. When teleservice cannot handle its workload, local offices, already stretched to the limits, feel the pinch.

Until recently, the 800 teleservice blocked calls to the local offices. The problem was that inquiries frequently require additional attention and are referred to the local office that the client initially intended to contact. This system clearly created delays in service. Recognizing the dissatisfaction of many Iowans in this policy, one field office in my congressional district informed area residents of its telephone number through a weekly radio show. I was pleased that SSA ended this policy and permits SSA clients to contact the local field offices again.

SYSTEMS MODERNIZATION PLAN

It is hard to believe that a program as large as Social Security, which processes about one million claims per week, functioned with only 4,200 computer terminals before developing the Systems Modernization Plan. In addition, in an age when telecommunications advances send images around the world in milliseconds, it is hard to believe that a significant amount of the workload at SSA depends on paper files.

SSA now has a nationwide computer system with 23,000 terminals. Even with this expansion of computer access, the Process Review teams frequently heard complaints about the lack of computer terminals for individual employees. Sharing terminals effects productivity.

Significant delays have occurred in the development of software and integration of programs. GAO has reported major problems with access to the SSA data bases. When the SMP process began, software for both eh Title II and Title XVI programs was expected to be completed by 1987. To date, SSA had to suspend work on the Title XVI program because of problems with developing the Title II program. Additionally, the Process Review teams heard complaints about glitches in the Title II program from field staff. These problems ranged from duplicative procedures to limited access to necessary information (particularly the process of entering the data bases).

SMP has required a significant increase in resources, in both financial and staff demands. Given the magnitude of SMP, and as the GAO concluded, a lack of a cohesive, comprehensive objectives for modernization efforts, SSA should identify flaws in the system, devise an action plan to address these problems and establish a comprehensive plan to complete the SMP.

BACKLOGS

I was deeply disturbed to learn of the results of a Social Security Managers' Association survey. I was specifically troubled that the vast majority of office managers indicated that they are **losing ground** on backlogs (83 percent). The backlogs primarily consist of complex cases, i.e., post-entitlement and SSI cases. I believe that SSA should make clearing the backlogs a top priority.

I want to take this opportunity to commend Commissioner King on developing an action plan to address many of the concerns that I have discussed today. In particular, I am pleased that the commissioner has assembled and disbursed "strike forces" to evaluate the needs of field offices. It is important that these teams have the authority to take action to improve service delivery in individual offices, i.e., hiring staff.

Additionally, I believe that suspending the numerical performance goals is long overdue. Supposedly a tool to improve service delivery, these measurements of productivity have been virtually useless. New performance goals, which reflect uniform national standards and the full scope of the SSA service delivery system, will provide improved data on which to base service enhancement objectives.

The commissioner's action plan also responds to concerns that the Process Review teams identified regarding computer equipment. I commend the commissioner for undertaking this comprehensive review of SSA's service delivery system.

Social Security provides monthly benefits for 38 million Americans. Sometimes a check is late, or a change has been made in benefits, or a beneficiary moves. SSA service delivery system must be capable of providing courteous, accurate and timely responses to the inquiries and problems of millions of Americans. SSA is taking great strides in the right direction. The commissioner has set a reasonable pace to achieve identified goals. Now, more than ever, I am confident that Social Security can achieve the commissioner's service delivery objectives.

Mr. HUGHES. We are very privileged to have with us today a very distinguished Member of Congress from Massachusetts, with whom I serve on the House Judiciary Committee. Does the gentleman from Massachusetts have an opening statement?

STATEMENT OF REPRESENTATIVE BARNEY FRANK

Mr. FRANK. I do, Mr. Chairman. My congratulations to you for calling this hearing. It is something which we, as the Congress, should have been doing before. There have been some hearings. As a member of this committee, along with our colleague, Ms. Schneider, I did a field hearing in Providence, Rhode Island, where we heard about this, and Mr. Roybal had one before.

I can't think of a topic more in need of congressional action. This situation is a disgrace. The numbers just read by our colleague from Iowa are disgraceful. You are not just talking about people getting busy signals. You are talking about people with arthritic fingers, people with extreme nervous conditions, people who have difficulty dialing the phone, people who have to ask friends to come and sit with them to do it, people who are feeling stress.

We are needlessly inflicting on some of the most vulnerable people in this society an enormous amount of pain by the inefficiencies here and we are doing it for budget gimmickry. The Social Security system could easily pay for adequate amounts and I hope we are going to be told that, among other things, we are going to get some more people there.

I particularly want to draw a contrast between this administration's approach to the military. I realize this is an inherited problem to some extent, but more than a quarter of the Bush administration is now behind us and I haven't seen a rate of increase in improvement here anything like what we ought to.

We are told, with regard to the military, that we have to be very careful about how we cut because you can't rush into these things and you have to worry about morale and I am pleased to see people in the administration worrying about the morale of our military. I wish some of them had the same kind of concern about the morale of our civilian employees, because among the victims of this outrageous policy have been the enormously dedicated people who work for the Social Security system, who have been asked to do more and more with less and less, who have been themselves put under enormous strain and who have been quite courageous, in my judgment, in speaking out. I want to express my admiration to the employees and to their representatives for speaking.

But the plain fact is this: we have decided not to spend money which was available in the Social Security system to provide adequate staffing because we wanted to make deficits elsewhere look smaller. There is no excuse for it. I hope that the Commissioner is going to tell us that that is going to end, that we are going to hire enough people and that we are going to not try to do this with mirrors, et cetera.

I am for more efficiency and I am for improvements, but again, I want to draw a contrast. When it comes to the military, we are told there is no substitute for money. When it comes to the military, a higher level of spending is equated with a willingness to deal with the problem. It can't be that that applies nowhere else in government. There are no ways to fix this ultimately without spending some more money to hire people.

We shouldn't kid anybody about it, so I hope the Commissioner is going to tell us that we are very rapidly going to be hiring some more people, using them more efficiently, but also hiring some more people because if we don't do that, we are going to continue to condemn a lot of very innocent people to a lot of needless pain.

Thank you, Mr. Chairman, for giving us the opportunity to focus on this.

Mr. HUGHES. The gentleman from Oregon.

Mr. DEFAZIO. Thank you, Mr. Chairman. I withhold an opening statement.

Mr. HUGHES. The gentleman from Nevada.

Mr. BILBRAY. Yes, Mr. Chairman, I have an opening statement that I would like to submit for the record.

Mr. HUGHES. Without objection, so ordered.

[The prepared statement of Mr. Bilbray follows:]

STATEMENT OF THE
HONORABLE JAMES H. BILBRAY, (NV)

MR. CHAIRMAN, THANK YOU FOR CALLING THIS NEEDED HEARING ON STAFF LEVELS AT THE SOCIAL SECURITY ADMINISTRATION. AS WE ALL KNOW, SOCIAL SECURITY IS THE FEDERAL GOVERNMENT'S SINGLE LARGEST DOMESTIC PROGRAM, AND NEARLY ALL OF US DEAL WITH SOCIAL SECURITY AT LEAST ONCE DURING OUR LIVES.

DURING THE PAST SEVERAL YEARS, SOCIAL SECURITY'S STAFF HAS BEEN REDUCED FROM A PEAK OF 80,000 TO THE CURRENT 63,000 EMPLOYEES. IN MY OPINION, WE CERTAINLY HAVE GONE FAR ENOUGH, AND SOCIAL SECURITY HAS

CERTAINLY BORNE MORE THAN IT'S FAIR SHARE OF FEDERAL BUDGET CUTS.

AT THE SAME TIME THAT THESE STAFF CUTS WERE TAKING PLACE, SOCIAL SECURITY BOTH UNDERWENT A MASSIVE COMPUTERIZATION, AND IMPLEMENTATION OF A NATIONWIDE TOLL-FREE TELEPHONE NUMBER SERVICE. THESE CLEARLY WERE HUGE UNDERTAKINGS, AND I WOULD APPRECIATE IT IF, COMMISSIONER KING, YOU COULD COMMENT AS TO WHETHER THE REDUCED STAFF LEVELS AT SOCIAL SECURITY HAD A DETRIMENTAL IMPACT ON THEM.

SOCIAL SECURITY REPRESENTS THE LARGEST COMMITMENT EVER MADE BY THE U.S. GOVERNMENT TO ITS PEOPLE. TODAY MILLIONS OF SENIORS DEPEND ON THEIR MONTHLY BENEFITS CHECK, AND IN THE YEARS TO COME, EVEN MORE AMERICANS WILL DEPEND ON IT, AS THE BABY BOOMERS BEGIN TO RETIRE. WE OWE THESE PEOPLE COURTEOUS, COMPETENT SERVICE FROM SOCIAL SECURITY, WHETHER IT BE IN WRITING, OVER THE TELEPHONE, OR IN PERSON. I LOOK FORWARD TO COMMISSIONER KING'S TESTIMONY ON WHAT WE CAN DO TO ENSURE THAT THE AMERICAN PUBLIC RECEIVES THIS.

Mr. HUGHES. At this time, if there are no objections, I would like to submit the prepared statements of several of our colleagues for the hearing record. Hearing no objections, so ordered.

[The prepared statements of Representatives Marilyn Lloyd, Thomas, J. Manton, Jerry Costello, and Cliff Stearns follow:]

STATEMENT OF REPRESENTATIVE

MARILYN LLOYD

CHAIRMAN OF THE SUBCOMMITTEE ON HOUSING AND CONSUMER INTERESTS

FOR THE HEARING

"CUTTING SOCIAL SECURITY STAFF BY ONE-FOURTH: HAVE WE GONE TOO FAR?"

MARCH 8, 1990

Chairman Hughes, to begin I want to commend you for convening this hearing and for establishing such compelling evidence that the needs of Social Security recipients across the Nation are not being met as a result of cuts that have been made in Social Security Administration staff and field offices.

This hearing is an example of the Aging Committee's oversight capabilities at their best. The studies and case histories that you discuss in your opening statement clearly demonstrate that the Administration (with the consent of Congress) cut the SSA staff before the computerization of SSA was capable of handling the workload, that the toll-free telephone system is not able to effectively serve the public, and that the planning and implementation of the modernization program at SSA was flawed in many ways. Social Security Administration staff were cut too soon and too deep.

Mr. Chairman, although you and your excellent staff have painted a distressing picture of one of our most important Federal programs, there is a strong ray of hope that we can change our ways. We are fortunate to have Gwendolyn King as the Commissioner of the Social Security Administration, and with your leadership Chairman Hughes, and Commissioner King's strong commitment to quality services for all Social Security recipients, I believe we can adjust the staffing levels at SSA and make the other changes necessary to do the job right.

I believe strongly that the Social Security system must be extraordinarily responsive to all Americans. We spend most of our lives paying into this system to protect ourselves from the potential poverty that a disability, the death of a spouse, or simply retiring can create. In most cases our Social Security payroll taxes are automatically taken from our paychecks and delivered to the Federal Government in a timely manner. The

American people deserve at a minimum prompt delivery of their benefits. They also deserve timely and accurate responses to their inquires about Social Security issues, and effective implementation of the laws and regulations that guide the distribution of Social Security benefits.

Mr. Chairman, the people of my home State of Tennessee expect more from our government that they have received, and I am committed to working with you and Commissioner King to make sure that they get better service in the future.

Thomas J. Manton

STATEMENT OF THE HONORABLE THOMAS J. MANTON

MARCH 8, 1990

BEFORE THE SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT HEARING ON "CUTTING SOCIAL SECURITY FIELD STAFF BY ONE-FOURTH: HAVE WE GONE TOO FAR?"

I WOULD LIKE TO COMMEND SUBCOMMITTEE CHAIRMAN HUGHES FOR CALLING THIS IMPORTANT HEARING ON THE ISSUE OF THE EXTENSIVE CUTS IN SOCIAL SECURITY ADMINISTRATION STAFF. NO OTHER GOVERNMENT AGENCY TOUCHES THE LIVES OF EVERY AMERICAN AS CLOSELY AS THE SOCIAL SECURITY ADMINISTRATION. OUR NATION'S WORKERS COUNT ON THE SOCIAL SECURITY ADMINISTRATION TO DEVELOP ACCURATE EARNINGS RECORDS TO DETERMINE FUTURE BENEFITS. RETIRED PEOPLE DEPEND ON THE SOCIAL SECURITY ADMINISTRATION FOR THEIR BENEFIT CHECKS. MANY LOW INCOME AND DISABLED AMERICANS RELY ON THE SOCIAL SECURITY ADMINISTRATION'S SUPPLEMENTARY SECURITY INCOME PROGRAM AND THE DISABILITY INSURANCE PROGRAM TO PROVIDE BENEFITS THEY NEED.

BECAUSE THE SERVICES THE SOCIAL SECURITY ADMINISTRATION PROVIDES ARE SO IMPORTANT, THE ADMINISTRATION MUST HAVE KNOWLEDGEABLE STAFF AVAILABLE TO OVERSEE THE SERVICES SOCIAL SECURITY PROVIDES. UNFORTUNATELY, TODAY, ALL TOO OFTEN WHEN AN INDIVIDUAL HAS A QUESTION ABOUT THEIR BENEFITS, OR A MISTAKE IN THEIR CHECK, THERE IS NO ONE THEY CAN TURN TO FOR HELP.

ALTHOUGH THE NUMBER OF INDIVIDUALS RECEIVING BENEFITS FROM SOCIAL SECURITY HAS GROWN BY THREE MILLION OR OVER EIGHT PERCENT SINCE 1986, THE REAGAN AND BUSH ADMINISTRATIONS HAVE SHARPLY CUT SOCIAL SECURITY STAFFING LEVEL BY TWENTY-ONE PERCENT SINCE THAT TIME. THIS OCCURRED IN SPITE OF THE OPPOSITION OF CONGRESS WHICH CONTINUED TO APPROPRIATE MORE FUNDING THAN THE ADMINISTRATION REQUESTED IN ORDER TO MAINTAIN ADEQUATE STAFFING LEVELS.

I AM FAMILIAR WITH THE FRUSTRATIONS THAT MANY SOCIAL SECURITY RECIPIENTS FEEL ABOUT THESE SOCIAL SECURITY STAFFING CUTS. IN MARCH, 1988 I SERVED AS CHAIRMAN OF A FIELD HEARING OF THIS SUBCOMMITTEE IN MY DISTRICT IN QUEENS, NEW YORK ON THE SUBJECT OF THE QUALITY OF SERVICE FROM THE SOCIAL SECURITY ADMINISTRATION. AT THAT TIME, THE COMMITTEE HEARD TESTIMONY FROM BENEFICIARIES, EMPLOYEES AND ADVOCATES ALL OF WHOM CRITICIZED THE ADMINISTRATIONS CUT BACKS IN STAFFING LEVELS. THIS SUBCOMMITTEE HEARD TESTIMONY THAT BENEFICIARIES OFTEN HAVE BEEN PLACED ON HOLD FOR ONE HOUR WHEN THEY CALL SOCIAL SECURITY WITH A QUESTION ABOUT THEIR BENEFITS AND A SSI RECIPIENT TESTIFIED THAT HE WAS UNABLE, DESPITE REPEATED ATTEMPTS, TO OBTAIN CORRECT INFORMATION FROM A SOCIAL SECURITY FIELD OFFICE.

UNFORTUNATELY, THE PROBLEMS WITHIN THE SOCIAL SECURITY ADMINISTRATION HAVE ONLY WORSENED SINCE THIS HEARING WAS HELD. I LOOK FORWARD TO HEARING THE TESTIMONY OF THE NEW COMMISSIONER OF SOCIAL SECURITY ADMINISTRATION, GWENDOLYN KING, BEFORE THE SUBCOMMITTEE TODAY AND HEARING HER PLANS TO ADDRESS THIS CRISIS. ONE THING IS CERTAIN: WE CANNOT ALLOW THE SOCIAL SECURITY STAFFING CRISIS TO BE IGNORED, THE SECURITY OF THE BENEFITS OF MILLIONS OF AMERICANS DEPEND ON OUR ATTENTION TO THIS MATTER. AGAIN, I WANT TO THANK CHAIRMAN HUGHES FOR CALLING ATTENTION TO THIS IMPORTANT ISSUE AND HOLDING THIS IMPORTANT HEARING.

OPENING STATEMENT BY U.S. REP. JERRY COSTELLO

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT

"CUTTING SOCIAL SECURITY STAFF BY ONE-FOURTH; HAVE WE GONE TOO FAR?"

THURSDAY, MARCH 8, 1990

The Social Security Administration has significantly trimmed its staff over the past four to five years in an attempt to improve service and reduce cost. However, the Social Security Administration's staff currently represents only one percent of the Social Security Administrations's total budget.

Today's hearing will focus on how effective the Social Security Administration's system modernization has been in regards to customer service. It will be interesting to know if the cut in staff can still be justified - especially at a time when the Social Security Trust Fund is running a $52 billion surplus.

Among other distinguished witnesses that are present today, I Iook forward to hearing testimony by the Honorable Gwendolyn King, Commissioner of the Social Security Administration. I would like to thank Commissioner King and our other witnesses for testifying today before the Subcommittee on Retirement Income and Employment of the House Select Committee on Aging. Also, thank you, Mr. Chairman, for your continued leadership and for conducting today's hearing.

OPENING STATEMENT
HON. CLIFF STEARNS, M.C.

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOMENT

SSA STAFF CUTS

8 MARCH 90

Mr. Chairman, thank you for this opportunity to speak. I am very interested in the testimony from today's hearing. Congress needs to seriously explore the recent administrative cuts imposed on the Social Security Administration.

I don't think there is a Member of Congress who has not heard from constituents about backlogged claims and incorrect information at regional Social Security offices. This is a travesty.

Through Social Security we have a sound commitment to the elderly in this country and we must work to maintain their trust. Constant busy signals, ignored letters, and misinformation only serve to destroy their faith.

However, considering the resources currently available to the Social Security Administration, I'm amazed at what is accomplished. Each of the 13 hundred field offices represents a service area of between 50 thousand and 60 thousand beneficiaries. The average office operates with fewer than twenty employees that are usually overwhelmed with claims.

Under these conditions, it is easy to understand how mistakes can be made.

Let me take this opportunity to commend Commissioner Gwendolyn King for her actions to address this problem. I look forward to hearing her testimony and stand ready to assist her in any way I can.

Thank you very much Mr. Chairman

Mr. HUGHES. And now, I would like to introduce and welcome to today's hearing our first witness, the Honorable Gwendolyn King, Commissioner of the Social Security Administration.

Since being sworn in as the new Commissioner on August the first of 1989, Mrs. King has made a very impressive and promising start at addressing some of the difficult challenges her agency faces.

I am particularly impressed by the Commissioner's genuine concern and commitment in trying to improve the delivery of services to all Americans, including our elderly, our blind and disabled populations. We are very happy to have you with us today, Commissioner. I would like to thank both you and your staff for your cooperation in preparing for today's hearing.

We have your statement, which, without objection, will be made a part of the record. We hope you can summarize for us, but you may proceed as you see fit. Welcome.

STATEMENT OF HON. GWENDOLYN S. KING, COMMISSIONER OF SOCIAL SECURITY, SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH & HUMAN SERVICES

Ms. KING. Thank you very much, Mr. Chairman, and along with the congratulations of your colleagues, I thank you for holding this hearing so early in the year and giving us an opportunity to express what has been happening at our agency so that we can continue the work we have already begun in working together to try to address some of these problems.

I want to get right to the point. You want to know if this agency has been affected by the reductions in staffing. That is an easy one to answer. Of course we have. You don't reduce a workforce by 17,000 people, from 80,000 to 63,000, without some ramifications. Indeed, the statistics you cited this morning were troubling not only to you, but also to me and to the employees at Social Security.

While these reductions have saved the government money, some $2 billion, and continue to save about $600 million annually, we have come to a time of a significant increase in public demand for service and we have a responsibility, Mr. Chairman, to provide that service.

I was also interested in your noting that two-thirds of the managers found that they were unable to do the work they wanted to do. I have found, in working with the managers association, that not one of them is unwilling to do that work. They all want to do the very best job possible.

The same thing goes for all of our employees. As Mr. Frank has noted here today, that workforce of 63,000 employees is perhaps the most dedicated workforce in the United States today. They have been working steadily against the odds, and what I have found is that their actual ability to perform has indeed masked the strain and the pain that they felt because they simply refused not to do their job.

I found a workforce that has done an extraordinary job of maintaining a high level of service to the best of their ability. While I intend to devote the lion's share of my testimony to planned improvements, because I do want to share those with you, I think I would be remiss if I didn't point out how well some of our employees have been performing under some very difficult circumstances.

Some major cyclical workloads, such as earnings postings and cost-of-living increases are processed in a fraction of the time it took a few years ago. Changes are made to master beneficiary records in hours, rather than in days or weeks. The amount of incorrect Social Security retirement and survivors' insurance payments has been reduced, thanks largely to increased automation, but also thanks to the willingness of our employees to learn how to use those new tools and to work with them, in spite of seeing their colleagues retire or otherwise leave the desk next door. Payment accuracy rates, as a percentage of dollars paid, increased to 99.8 percent in fiscal year 1989.

Those improvements, Mr. Chairman, I cite not to show you what a great job Social Security is doing, but to show you how our employees, how our workforce has dedicated themselves to the task and has gone ahead and performed in such an admirable way in spite of all the difficulties that we face at the agency.

Another thing that I think may have masked some of the problems that our folks have been facing has been the fact that all of our client satisfaction surveys give clear indication that people who deal with Social Security overwhelmingly have expressed satisfaction with SSA's service. But, Mr. Chairman, we cannot be complacent. We simply can't sit back and look at client satisfaction surveys and say that nothing more needs to be done.

SSA staff has been severely strained to meet the demands of growing beneficiary and working populations and to adjust to major changes. The price for maintaining high-quality service in a period of downsizing has been paid less by beneficiaries and taxpayers and more by the agency's loyal and dedicated workforce. Those strains must be addressed for a number of reasons.

While SSA provides very good public service, I believe we have a responsibility to be the best service provider in government. Is SSA today providing the best service possible? I would answer, and I believe a majority of the employees would answer, not yet.

Public service demands are going to continue to increase. As the baby boom generation ages, the ranks of our beneficiaries will swell and demands for service will reach unprecedented levels. We must be prepared to meet those demands.

This agency is undertaking some ambitious, but I believe necessary, initiatives, initiatives to bring new hope to the low-income elderly, people with disabilities, the homeless and others among us who need a helping hand. We are taking steps now to assure that we are in a position to succeed in those initiatives.

One of the severe ramifications of downsizing determined during our process review launched in January of 1989 is that we now have uneven staffing in our 1,300 field offices. Although downsizing was accomplished by attrition, the rate of attrition did not affect all offices equally. Many urban offices are particularly hard-pressed because higher than average attrition has limited their ability to provide special assistance to people who are in need.

I have recently put into place an action plan that is designed, among other things, to correct those imbalances and to make this agency an even more effective force. I have lifted a freeze on hiring for offices with the most severe staffing shortages, and I have authorized hiring of over 400 new employees in this first phase.

Special strike teams, reporting directly to me, have begun work throughout the country to identify and provide immediate on-the-spot assistance, to those offices most in need of additional staffing. For example, the first team visit was to the New York region in late February. Several offices, including three in New Jersey, were authorized to hire additional staff. Similar teams will visit every region in the country and they will conclude those visits by the middle of April.

We will actively recruit candidates for entry-level office technical positions by using the outstanding scholar program. Particular attention will be given to recruiting bilingual employees wherever needed.

Also, to improve the quality of service, I have suspended numerical performance goals. A major problem with the numerical performance goals that were in place is that they focused on a particular set of activities while other important functions were neglected or given insufficient attention.

SSA will continue to measure the efficiency and productivity of its field offices, but the primary performance consideration will be how well our employees provide full service to the public.

I also intend to work with our employees and the unions that represent them in developing a new set of performance goals based on national standards for public service.

Other steps are being taken to address the morale problems at Social Security that you may already be aware of: on-site child care initiatives, installation of additional personal computers, and our on-the-spot awards. I will be glad to describe these steps further during the questioning period if you wish.

Beyond these efforts, President Bush has submitted for fiscal year 1991 a budget which I believe addresses your concern and mine that we have sufficient resources available at Social Security to address the problems that we all know exist there. We are asking for $4.2 billion in fiscal year 1991. The President has supported that request and included it in his budget. He has supported my attempts to stabilize that agency, to ensure that we do not drop down in employment, that we bring a period of stability and healing to Social Security, and I assure you, Mr. Chairman, if I determine over the months ahead that an additional amount is needed, I will not be shy in letting you know about that request.

I must say, though, that I am particularly pleased that last week, the Office of Management and Budget did release $48 million of the contingency fund from our appropriation and with that money, we are now able to begin to actively plan Phase II of our efforts to get this agency back on track.

This is going to be a massive undertaking, but I am confident that working with our employees, our unions and, frankly, with our friends on the Hill, we are going to be able to bring a period of healing to Social Security, begin to turn around the problems that you have addressed this morning and be in a position to provide the outstanding service the public deserves.

Mr. Chairman, I would be pleased now to answer any questions you have. I have a good deal more in my prepared statement about our SSI outreach efforts and the 800 telephone number, which I know Mr. Tauke has some concerns about. I believe perhaps if we stop at this point and begin to address some of your questions, we will be able to get further along with the hearing.

[The prepared statement of Ms. King follows:]

DEPARTMENT OF HEALTH & HUMAN SERVICES
Social Security Administration
Refer to:
Baltimore MD 21235

FOR RELEASE ONLY UPON DELIVERY

STATEMENT

BY

GWENDOLYN S. KING

COMMISSIONER OF SOCIAL SECURITY

BEFORE THE

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT
SELECT COMMITTEE ON AGING
HOUSE OF REPRESENTATIVES

ON

PROGRAM ADMINISTRATION AND PUBLIC SERVICE

MARCH 8, 1990

Mr. Chairman and Members of the Subcommittee,

I welcome the opportunity to appear before you to discuss the effect of staffing reductions on administration of the Social Security and Supplemental Security Income programs. The standard against which one measures the Social Security Administration's (SSA) performance in providing service to the public is, and should be, very high. And based on both internal statistical measures and independent surveys of the public, SSA employees have, through hard work and dedication, been able to maintain a high level of service to the public during a period of rapid automation and downsizing.

The question that you are asking today in this hearing, and frankly, that I have been asking since I became Commissioner last summer, is: are we at SSA providing the very best service to the public that we can. The answer in my view and in the view of the majority of our 63,000 employees is "not yet." What I want, what SSA's managers want, and what SSA's employees and their labor representatives want is to give the public our best efforts, and to achieve nothing short of providing outstanding service to our over 43 million beneficiaries and 130 million workers, who have every right to expect nothing less.

And why is near perfection expected of the Social Security Administration? In my view, SSA has a unique role among Federal agencies. We have a public trust to serve to the best of our abilities the American people, who depend on us for financial protection and assistance. My objective as Commissioner of Social Security is to see that the Agency fulfills this public trust.

SSA Goals

As a first step toward achieving SSA's full potential, I have established three primary goals for the People's Agency:

- To serve the public with compassion, courtesy, consideration, efficiency, and accuracy;
- To protect and maintain the American people's investment in the Social Security trust funds and to instill public confidence in Social Security programs; and
- To create an environment that ensures a highly skilled, motivated workforce dedicated to meeting the challenges of SSA's public service mission.

These goals, which I announced last November to all SSA employees, are based on a tradition of service to the public that has long guided the efforts of SSA's employees. By reaffirming the overriding importance of serving the public with compassion and courtesy, I believe that SSA can once again shine as the #1 service-oriented Government Agency.

Downsizing

As you know, over the last 6 years, SSA has undergone a dramatic downsizing. Full-time equivalent employment levels have dropped by about 17,000--from 80,000 in fiscal year (FY) 1984 to 63,000 in FY 1990. While the employment reductions at SSA over the last 6 years have saved the Government almost $2 billion and continue to save about $600 million annually, public demand for our service also has increased.

The new technology that has been implemented to help meet those demands has helped. But SSA's loyal and dedicated staff have been severely strained to meet the demands of growing beneficiary and worker populations, adjust to major changes in work processes, and strengthen service delivery. The Secretary and I have insisted on a period of stability and recovery, a period to heal the strain, improve working conditions and morale, and enhance training, promotional opportunities and quality of life for our employees, while continuing to improve our service to the public. If President Bush's FY 1991 budget for SSA is accepted in full--and I emphasize in full--by the Congress, that period of stability and recovery can be achieved.

Process Review Action Plan

Because there were indications that a more indepth examination of the impact on SSA of downsizing and technological and other changes was needed, in January 1989 the Agency launched a program to evaluate how we were doing, despite the fact that our basic indicators of processing time and quality were favorable.

This examination was implemented by conducting a series of onsite reviews by special teams at selected district offices of various sizes, teleservice centers, and major processing centers. What we found at the field offices is that, although the reductions in SSA staffing were accomplished by attrition, the rate of attrition was uneven across SSA offices. The result is that there are now staffing imbalances across field offices. Clearly, many urban offices have been particularly hard pressed, because this uneven attrition has limited their ability to provide the special assistance that the homeless, aged, disabled, and others in their service areas may need.

That is the history--the past circumstances. Now let us move to the present. I have recently put in place an action plan that, among other things, will begin to correct the more serious staffing imbalances that exist. I have lifted the freeze on hiring for offices with the most severe staffing needs and authorized hiring of more than 400 new employees.

Special teams under the auspices of my office have already begun to work with SSA's 10 Regional Commissioners to identify and provide immediate assistance to those offices most in need of additional staffing. For example, the first team visit was to the New York Region in late February. Several field offices, including three in New Jersey, were authorized to hire additional staff. A team will review Iowa offices when it visits the Kansas City region later this month.

SSA will actively recruit the best candidates for entry-level field office technical positions by using the "Outstanding Scholar" program. Particular attention will be given to recruiting bilingual employees where they are needed.

In order to clearly focus all our efforts on improving service wherever improvement is needed, numerical performance goals have been suspended. A major problem with numerical goals is that they drive the agency to achieve some goals while other important activities are neglected or given insufficient attention. While SSA will continue to measure the efficiency and productivity of field offices, providing full service to the public will be the primary performance consideration for our managers. Working with a cross section of regional, field and central office employees, I plan to develop a new set of performance goals based on national standards for public service. A clear set of expectations will be communicated to all field offices.

In addition to providing immediate relief to hard pressed offices, this action plan is intended to bring home to all of SSA's 63,000 employees my commitment to doing everything that I can to provide the tools and resources for each one of them to provide the high-quality service that they want to give and that every member of the public deserves.

I have also taken a number of steps aimed at improving morale and creating the kind of work environment that encourages employees to provide the best public service:

- A new "on-the-spot" award process has been established to recognize superior effort;
- Onsite childcare facilities are being established in our two large Baltimore locations;

- o Installation of additional personal computers in field offices has been expedited; and
- o Establishment of an Office of Ombudsman to identify and propose responses to human resource and management problems throughout SSA has been authorized.

Level of Service Remains High

Let me emphasize that, as SSA has implemented new technology and reduced staffing, the speed and accuracy with which SSA processes claims and pays benefits has remained high. Major cyclical workloads--such as earnings postings, recomputations of benefits to include additional earnings, and cost-of-living increases--are processed in a fraction of the time it took a few years ago, and changes are made to master beneficiary records in hours, rather than days or weeks. Also, the amount of incorrect Social Security retirement and survivors insurance payments has been reduced as increased automation of benefit computations has helped prevent errors. Payment accuracy rates as a percent of dollars paid has increased to 99.8 percent in FY 1989.

During downsizing, client satisfaction with SSA service has remained high, with over 83 percent of respondents in a national survey last year rating SSA's service as either good or very good.

One reason that client satisfaction has remained high during the downsizing is that managers have tended to retain technical, public contact positions. Although field representatives have declined in number, SSA currently has 13,892 claims representatives, 193 more than in 1984, and 6,588 service or teleservice representatives, 178 more than in 1984. These are the two types of employees who handle the majority of SSA's contacts with the public.

The types of field office positions that have declined most are the data review technician and the clerical. Our modernized claims system has automated much of the manual computation functions of data review technicians and some of the paper filing function of the clerical position. It is in these areas that computer modernization has most offset the impact of downsizing on Social Security offices. However, our process reviews found that managers and technical personnel are often performing clerical tasks such as filing and typing.

The other major way that computer modernization has both reduced work requirements and significantly improved service is by providing immediate access to all major data bases. This has allowed SSA's employees to answer questions from beneficiaries and process almost all work faster and more accurately.

Thus far, throughout the downsizing period SSA has been able to maintain consistently high levels of service in our basic workloads. But given our resource limits, the possibility clearly exists that at some point workload growth may begin to outstrip available resources.

At this point we do not have data showing significant backlogs of work in field offices, but we have asked for a special national report at the end of this month on the status of field office workloads. On the other hand, we are beginning to see increases in the amount of work on hand in the Program Service Centers and are concerned about lengthy processing times for cases currently before the Appeals Council.

We are closely monitoring all of our workloads and will be addressing problem areas as we are in the case of field office staffing imbalances--by identifying serious problems and directing additional resources to them. We will be using contingency funds to accelerate replacement of staff losses in field offices and other locations with serious staffing problems.

Mr. Chairman, in addition to the effects of downsizing, I am concerned that changes in our society in recent years, especially the increase in low-income elderly, disabled children, and homeless individuals, require SSA to do more than ever has been expected in the past in certain areas.

For example, we believe that additional means of assisting in the rehabilitation of disabled beneficiaries who wish to return to work may be possible. We will be implementing two pilot projects for developing a case management prototype for working with disabled beneficiaries. Such a prototype may also have potential in the SSI program and in working with beneficiaries who require representative payees.

Supplemental Security Income (SSI) Outreach

Another area of renewed commitment to high-quality service is bringing SSI to those for whom it was designed. SSA, as an agency, has a moral responsibility to identify people who, for any of a variety of reasons, are not receiving SSI benefits for which they may be eligible.

Therefore, SSI outreach is a major priority for SSA, and I have asked all SSA employees to put forth an extra effort to assist those who should be receiving SSI. To ensure that SSA achieves its goal to reach and enroll in the SSI program the nonparticipating needy aged, blind, and disabled, we created an SSI outreach task force to develop a comprehensive SSI outreach policy. After consulting with representatives of more than 60 public and private agencies that work with disadvantaged and hard-to-reach populations, the task force has developed an outreach strategy based on three major premises.

- SSA must do a better job of providing information about and promoting understanding of the SSI program.
- SSA must reach out to people who are aware of the program but are reluctant to apply for it.
- SSA must make the process of applying for SSI benefits easier so as to ensure that people do not fail to establish eligibility due to some real or perceived obstacle in the application process.

During last fall's appropriations process, Members of Congress who share our commitment to SSI outreach were successful in obtaining an additional $3 million in FY 1990 which will be used for SSI outreach demonstration projects. We are very hopeful that these demonstrations will provide us with innovative ideas for reaching persons who are potentially eligible for SSI benefits but have not, for whatever reason, taken the necessary steps to receive them.

In addition to the new initiatives, we will continue our ongoing outreach efforts. Local Social Security offices provide the foundation of SSA's ongoing commitment to outreach by working with organizations in their service areas to inform people about their potential eligibility for SSI program benefits and requirements and help them to apply.

On the subject of SSI, I would like to take this opportunity to let you know that we are soon to convene a blue-ribbon panel of experts to review the SSI program and make recommendations for improving its effectiveness in providing economic security for the needy aged, blind, and disabled people of this country. Former Secretary of Health, Education, and Welfare, Dr. Arthur Flemming, has agreed to chair the panel.

Representative Payee Process

SSA also is expanding its efforts to find the best possible representative payees for beneficiaries with special needs who require help in handling their benefit payments. I am committed to assuring that beneficiaries do not suffer because of their own limitations and any difficulties in finding qualified volunteers. We will make special efforts to attract payees who have beneficiaries' best interests at heart and who will provide for those interests.

I would now like to mention some initiatives we have undertaken or are exploring that reflect a continuing effort to provide long-term solutions to payee problems.

- We believe that one of the best ways to protect beneficiaries who need a representative payee is to identify additional sources of qualified payees. Thus, we are working with the American Association of Retired Persons, the Emergency Food and Shelter Program, United Way, and other organizations to develop voluntary payee projects.

- We are also placing increased emphasis on ideas developed by local Social Security offices for finding qualified payees. To aid our representative payment outreach efforts, we are preparing a video presentation showing the positive aspects of representative payee volunteerism. It will be distributed to our field offices for use in community and public service activities.

- We are in the process of changing appropriate forms and procedures to elicit more information about payee applicants' qualifications and to more intensively monitor persons who are payees for several beneficiaries. Additionally, we will meet shortly with the National Criminal Justice Association and other interested parties to explore the feasibility of a process in which SSA would screen payee applicants based on criminal records available to States. We anticipate that this meeting will lead to pilot projects to this effect in 10 States.

- Finally, we are developing a comprehensive representative payee data system that will capture a full range of representative payee information needed to screen payee applicants more effectively, enhance monitoring of the accounting process, and produce statistical data.

I am strongly committed to using all reasonable means at SSA's disposal to find the best possible representative payees for beneficiaries who cannot manage their benefits. I know in my heart that this compassionate country of ours has a wealth of caring individuals and groups who are willing to perform this service, and we will be working hard to find them.

800-Number Service

Mr. Chairman there is another important public service initiative that I would like to discuss briefly--the national toll-free Social Security 800 number telephone service. Our objective with the 800 number is to make SSA's service more convenient and accessible to those who want to call us and to relieve field offices of general inquiry calls so they can concentrate on serving people who come into one of our offices.

Over the last decade it has become clear that the public increasingly prefers to do business with SSA by telephone, and its response to the 800-number service has been very positive. In a late 1989 Office of Inspector General (OIG) survey, 82 percent of those who called the 800 number said the service they received was good or very good. By comparison, 80 percent of those who visited an SSA field office gave a positive response. In a separate SSA survey last year, 98 percent of our callers said they received courteous service. Also, our random monitoring of calls found no inaccuracies regarding payment amounts or eligibility in 97 percent of the responses.

To my mind, the most telling statistics have to do with the option people will choose when they need to make their next contact with SSA. According to a GAO report in 1984, 51 percent said they would do future Social Security business by telephone and 45 percent preferred to visit a field office. In late 1989, OIG found the number of those who preferred doing business by telephone had grown to 67 percent.

While we are pleased with the acceptance by the public of the 800-number system, Mr. Chairman, we are by no means complacent. We are working to correct the problems that make the system less than perfect. Our primary concern is the high busy signal rate on certain days each month--around the day checks are delivered, the Monday of each week, and the day after a holiday. Also, January, February, and March tend to be exceptionally busy, because all of SSA's workloads peak due to the numerous changes in Social Security that take place at the beginning of the year.

We took a number of steps to deal with the high busy signals we began experiencing after October 1989. These included reopening, on a temporary basis, the public telephone lines in more than 350 local field offices, hiring 160 additional teleservice representatives (TSRs) for the teleservice centers (TSCs), increasing the amount of overtime hours allocated to the TSCs, and allowing most part-time TSRs to convert to full-time employment.

To provide additional staff to handle calls during peak demand periods, we established a second backup, or what we call a "spike" unit, in the Chicago program service center. This unit consists of 140 benefit authorizers, employees who are fully trained in the Social Security program. These employees join employees from the Southeastern Program Service Center in Birmingham, who are also providing excellent assistance to the staff in the TSCs during peak demand periods.

In addition to these backup units, some employees have been detailed, on an as-needed basis, from field offices to TSCs when local office workloads permit these details. However, I must emphasize that this is done by local managers and not dictated by a national policy--it is up to managers who are in the best position to decide where resources should be allocated.

Beginning in January we also provided callers an option of hearing a recorded message explaining the 4.7 percent cost-of-living increase and how premiums for the repealed catastrophic health insurance program would be refunded. Many callers were seeking only this information and over 700,000 heard the message in January. This is an excellent example of how the 800-number service can both make information more available to the public and remove a large workload from local offices.

While the steps we have taken thus far have helped, we plan to do still more to consistently furnish the kind of quality telephone service the American people want and deserve. I am convinced that we must move cautiously and with careful piloting in making any major changes in the 800-number system. It simply is not fair to the public, SSA's employees, or SSA's managers to make dramatic, untested changes on the basis of anecdotes or inadequate experience.

SSA has made clear from the beginning that the 800 number is an enhancement to and not a substitute for SSA's traditional face-to-face service in local offices. I have made it clear to the teleservice staff that if callers ask to deal with the local office directly, that request will be honored promptly, without question. Also, 800-number callers with SSI questions or complex Social Security issues are referred to the appropriate field office.

Finally, I believe that SSA can do more to educate the public about the best times to contact SSA--which would address the problem of very high volumes of calls in certain peak periods. SSA will launch a national public service announcement campaign encouraging the public to call our 800 number during the morning hours of 7 a.m. to 9 a.m. when call volumes are quite low. "Prime Time 800" will promote consumer attention to SSA's early hour service availability. Prime Time 800 is also intended to increase public awareness of the many types of business that can be conducted conveniently and expeditiously with SSA over the telephone. We are planning to pilot our Prime Time 800 campaign in the weeks ahead in the States of Illinois and Indiana. The results will be used to assist SSA in planning for phasing in all regions in April and May.

Conclusion

Mr. Chairman, over the last few years SSA has largely completed a transition from a manual, paper-dominated environment to one where automated systems allow us to provide quicker, more accurate service with a smaller workforce. Although the overall quality of SSA's service has remained high during this period, we clearly now require a period of stability and recovery during which we can concentrate all our energies on meeting special needs of both our employees and the public we serve. I am confident that we have the will and commitment to meet these needs, and I look forward to working with the Congress as we strive to make SSA's service the best that it can be.

Mr. HUGHES. Thank you very much, Commissioner, for an excellent statement.

One of the things that I am concerned about is the morale problem. Some of the witnesses on the next panel will be testifying insofar as morale is concerned. As I indicated in my opening statement, roughly two-thirds of those that were contacted in my area indicated that there was a serious morale problem, that morale was either poor or extremely poor.

Some of the testimony will indicate that staff in the Social Security offices are actively looking for other jobs and they identified some of the staff that basically are looking for other jobs at this point.

Frankly, are we moving as expeditiously as we can? I realize you have indicated we are going to immediately hire 400 employees and we have developed some strike teams. Is that a response that basically comports with the needs that are out there?

Ms. KING. Mr. Chairman, I think there are a variety of needs out there. The reason that our first phase addresses hiring of about 400 new employees—and I am very careful to say about 400 because it may be more—is that we have been going to our regional commissioners first and then to each field office that we have identified as being a troubled office and we have been told by them what their needs are.

Sometimes it is people, sometimes it is not. Sometimes it means that instead of allowing our employees to line up three and four and five behind one PC, the request that they have into us is additional computers, and we will honor that request as well.

But some of the other needs that I have found, Mr. Chairman, do not necessarily go to additional staffing. Employees need to know that they are working in a work environment for people who care about their needs, too. I immediately, upon taking office, sent out a survey to find out how many of our employees had a need for child care in our headquarters office. What I found out was a shock. I had been told that there was no need.

Indeed, our employees tell me that if we can have on-site daycare available at the end of this year, they will have 800 children ready to go into an on-site daycare center. I think our employees recognize that there is a new day at Social Security, that we are now, in fact, trying very hard to address some of their concerns.

We have sent out surveys on eldercare because many of our employees have taken in elderly relatives and they are concerned about leaving them at home alone during the day. So we are looking at a wide range of opportunities that our agency can provide to its workforce.

We have signed a new contract with the union. We are now actively working on solving common problems, and I meet with the Union regularly. I have an open-door policy through which many of our employees have walked, and we will continue to do that around the agency. I believe that if you talk to the employees about morale, not only today, but in the future, what you will see is their understanding that there is a willingness now among managers to really work with them on some of the problems they have identified.

Mr. HUGHES. I think you are right. I think that there are some concerns about child care, but they are not the concerns I hear about. The concern I hear about is the inadequate staff and the ability to respond to constituent needs. I don't think I have had, in the last 5 months, one expression of concern about child care, but I have had dozens and dozens of expressions of concern about the workload and over the fact that they are spread too thin.

You have testified that we have achieved $2 billion in savings, $600 million annually. Have we, really? Have we, because I will tell you what I am finding. I am getting more and more constituent inquiries about overpayments and underpayments, and I see more and more mail going across my desk demonstrating that we have made mistakes.

So we are in a position where we now permit them to make their case that there is a hardship, and I am seeing more and more of those situations. I wonder how much, in the final analysis, we end up paying out through overpayments. Have we really achieved $2 billion in savings?

Ms. KING. That is exactly what our statistics indicate, Mr. Chairman, and let me say we are attempting, on a very quick basis, to address some of the staffing needs and some of the staffing imbalances that you mentioned. We are very concerned, though, that what people have been getting credit for doing in our field offices, the numeric performance goals, have measured only a portion of the work that they believe they need to do in order to do the very best job they can for people.

In other words, if they are not getting credit for spending the time with people who come into an office who need additional help filling out forms, then they are frustrated because the performance goals that were in place would only measure how many of those forms were moved off their desks. That is why, Mr. Chairman, I have moved to suspend numeric performance goals.

Mr. HUGHES. I think that is commendable. Do you need additional money to fund those 400 slots?

Ms. KING. Last November, fearing that there was going to be a year-long sequester, I put a freeze on hiring. What I have now been able to do is to lift the freeze, but instead of lifting it across the board, I have lifted it in the first phase for those offices that were really stressed out, that were really in dire need, that have lost very large numbers. Your statistics were accurate, there were a number of offices that lost more than 20 percent of their staff.

We need to look at those first because they are really strapped. Then we will look across the board as we get on into the year. I believe lifting those performance goals will give some relief to people. They won't feel badgered and they won't feel pressured.

Mr. HUGHES. I think you are right, but I don't think, and it is only my gut feeling, that the 400 additional staff will help those field offices that are really stressed out. There are a lot of other field offices out there that are stressed out, really stressed out, but stressed out, that are having the same problems. The irony of it all is that the beneficiaries, the ones who are entitled to these benefits, are the ones that are the ultimate losers in this.

Here we are using Social Security Trust Funds as a way to mask our deficits and to compound that problem. We are trying to reduce the amount of outlays for this program, creating more heartache, more harm to the very beneficiaries that the Trust Funds are set up for.

Ms. **King**. You point out an interesting irony, Mr. Chairman, but let me suggest to you that the days of that particular irony are passed. If you look at our budget request and the request in the President's budget for this year, $4.2 billion is a substantial increase over the amount that was available in fiscal year 1989, and I make no apologies for last year because, frankly, it didn't happen on my watch, and I am sure you feel the same way I do.

The dismantling of this agency is never going to happen on the watch of somebody from New Jersey, so I know I don't have to worry and you know you don't have to worry.

Mr. **Hughes**. Thank you. Thank you for that.

The gentleman from Iowa.

Mr. **Tauke**. Thank you, Mr. Chairman.

First, I want to commend your constituents. If you have more who complain about overpayment than underpayment, your constituents are more honest than some.

Mr. **Frank**. They complain when people come to get it back.

Mr. **Tauke**. Mr. Chairman, I have another appointment, which I have to rush to, so I am going to ask just a couple of questions and then I will depart and then I will be back, but I want to first of all thank you for your statement and, by the attitude, again, demonstrated in that statement and in your responses to questions so far.

As you indicated, I do have an ongoing concern about the teleservice program in Social Security and I noticed in your written statement that you indicated that telephone lines to local offices have been opened on a temporary basis. What does this mean for the future? Do you plan to continue to have public telephone access to field offices?

Ms. **King**. We do, Mr. Tauke. There was never any intention on my part to keep people who needed to have complicated problems worked out on a face-to-face basis in field offices from reaching those field offices. What happened was that as the 800 toll-free service kicked in, telephone lines were pulled from field offices so that all calls would flow into the 800 number, freeing up people who were in our field offices to conduct interviews without constant interruption of a telephone.

I have put in over 1,000 lines since that time because I realize the folly of suggesting that you cannot do business by telephone in a field office. Indeed, I have sent out a program circular to all teleservice representatives informing them that if anyone calls the toll-free line and asks for the number of a local field office, they are to give it to them immediately.

Part of the reason for the 800 number is that so many of the people who used to call us had to pay long-distance charges. Now they can call for free. The frustration, of course, and you know it well, is that people tend to do business with Social Security between the hours of 10 and 3. Our 800 lines are actually open from 7 in the morning until 7 at night. One of the things we are actively doing now is putting together public service announcements and ads that will go in local magazines and anyone else who will print them, indicating to people that they can have breakfast with Social

Security. That doesn't mean come down and look for coffee; it means while you are at home having juice and coffee, we are up and running. We are there. Pick up the phone and give us a call. Shortly, we plan to have ads of joggers with the sun rising behind them and the caption saying, "Social Security: We are up and running when you are." The idea is to get people to begin to call on the nonpeak hours, to begin to call us from 7 in the morning until 9 or 10, and in the evening when the phone lines are not busy.

Mr. **TAUKE**. I think the 800 number teleservice is a very good idea and it can obviously provide a substantial amount of assistance to a lot of people who otherwise would, as you indicate, have to make long-distance calls, and representing a rural area, I especially appreciate that. It can be of great help, particularly to rural residents.

But it shouldn't be either/or. If somebody wants to call the local office in Dubuque, Iowa, they ought to be able to look in the phone book, find the number, be able to call the office and talk to somebody.

Ms. **KING**. You have touched on what is missing. If you look in your local telephone directories today, you will see an address for your local office, but an 800 telephone number. Now, there are two schools of thought, Mr. Tauke, and as you know, this 800 number kicked in on the first of October, so we have had less than 6 months of active experience with it. But in some instances, most notably your colleague in Orlando, Florida, Mr. McCollum, we did not take the telephone number of the local office out of the telephone book. The local number is there, and believe me, I give him wide berth and try at all costs to avoid it because he is very anxious to have us take that number out of the telephone book. The reason is that the people in that local office find that they simply can't get work done because the phones keep ringing in the office.

So I think what we have here is a responsibility as management to look now, after this downsizing, at which offices can handle calls coming in. I talked to the managers association representatives just last week and I said to them, "You tell me. If I put local telephone numbers back in your local telephone books, can you handle the calls?" Frankly, half said, "Yes, we can handle it immediately," and the other half said, "No, we're down on our knees."

So all that has to be sorted out.

Mr. **TAUKE**. I can tell you, it isn't particularly pleasant for those at the local congressional office, either, to have to be the screening agency for the Social Security Administration, and if the Social Security office doesn't have a telephone number available to local residents, then they call the local congressional office to see how they can get a hold of somebody in the Social Security office. So maybe you can do a survey of us, too.

Ms. **KING**. As I say, we have the 800 number and if someone says, "I would like the number for a local office in Davenport," they are given that number right away. Again, I caution you that very often that local number for your folks in Davenport may be a long-distance toll call, but anytime someone asks for that local number, they are given it, and that, too, I believe, must be a change from what was happening in the past.

Mr. **TAUKE**. Thank you.

Thank you, Mr. Chairman, I will be back.

Mr. **Hughes**. Before I recognize the gentleman from Massachusetts, there are addresses in the telephone book for the field office in the county, but no addresses in those counties that have no field offices.

Ms. **King**. I am sorry, I didn't—

Mr. **Hughes**. Those counties that have no field offices have no address whatsoever. For instance, we have no field office in Salem County. There is no address for the Social Security office or telephone number.

Ms. **King**. There is a 1-800 number.

Mr. **Hughes**. 1-800 number, but no address.

Ms. **King**. If someone calls and says, "May I have the number of the closest office. Here is my zip code." We can give that to them.

Mr. **Hughes**. I understand, but if somebody were to pick up a telephone directory in a county that doesn't have a field office, you would have no address for a local Social Security office.

Ms. **King**. We have 1,300 field offices, Mr. Chairman, but unfortunately, we do not have them in every county. The local telephone directories very often—

Mr. **Hughes**. That is true. I understand that, but I am just saying that if you lived in some of the counties with no field offices, you could not look in your directory and find an address or a local telephone number.

The gentleman from Massachusetts.

Mr. **Frank**. Commissioner, one of the problems that I have is this: you were talking about, well, how do we balance this between the telephone, the 800 number, and the local offices, and it could be difficult because if you have more people call the local offices, they won't be able to handle it. That is true if you don't hire any people. I mean, your given in all this is that we are not going to hire any more people and the assurance you gave us is that this terrible situation you inherited, you are not going to make it worse by laying off more people or reducing the size.

The $4.2 billion that you asked for, what increase is that over last year's budget or the current year's budget?

Ms. **King**. This current year's budget was—the request was $3.833 and the actual amount was $3.7.

Mr. **Frank**. In the increase, how many new people are you going to hire?

Ms. **King**. We have a number of—

Mr. **Frank**. If someone out there knows it, we can—

Ms. **King**. I can give you—

Mr. **Frank**. If somebody with you can tell me—I didn't think that was a tricky question. I mean, how many new people—

Ms. **King**. It is not a trick question. What it does is reflect the fact that we are going to be hiring up to as many people as we need to have.

Mr. **Frank**. No, don't give me a for instance. Give me numbers. I will take for instances—I can't deal with this because—

Ms. **King**. Sixty-three thousand—

Mr. **Frank**. What is your current number of workers?

Ms. **King**. We are just under 63,000.

Mr. **Frank**. Sixty-three thousand, and you are going to hire 400 more.

Ms. **King**. Immediately.

Mr. **Frank**. That is two-thirds of 1 percent.

Ms. **King**. That is right.

Mr. **Frank**. I don't expect two-thirds of 1 percent to have much of an impact.

Now, for the next fiscal year, you asked for $4.2 billion. You don't know how many of them are going to be new people?

Ms. **King**. We will have approximately 900 new FTE by the end of this year—

Mr. **Frank**. By the end of this fiscal year or the—

Ms. **King**. By the end of this fiscal year, and so we will use that as a base for what we need—

Mr. **Frank**. You asked us for a budget and you are going to go defend the budget and I can't imagine my colleagues in the Appropriations Committee are going to say, "Oh, you want $700 million more. That's good. What are you going to use it for?" and you say, "Well, we'll think about that and maybe we'll get some more people and maybe we won't and we don't know."

It is not hard—the fact is, you have too few people. You have acknowledged this. You have just given us an example of it. You say, "Well, yes, it's true that people call up the 800 number and it's busy, but we can't shift them to the local offices because they'll be too busy." It sounds like they don't have enough people. What do you do with the money, buy answering machines?

Ms. **King**. Mr. Frank, part of the reason I am not answering your question to your satisfaction, nor to mine, I can assure you, is that we need to continue the process review that we began last year and that is to go office-to-office to ensure that we know exactly what our needs are there. We have 10 regions with regional commissioners in each region and—

Mr. **Frank**. You still don't know whether you need more people or not?

Ms. **King**. As I told you, my feeling is that we are going to be hiring more people—

Mr. **Frank**. How did you decide how much money to ask for in the budget? I mean, when you take credit for—

Ms. **King**. My budget—

Mr. **Frank**. —getting a higher budget, for which I am glad, suppose you don't need to hire the people, what are you going to do with the money?

Ms. **King**. My budget is based on what we know will be our base number, as well as increases for cost-of-living, increases that we know we are going to need for health insurance and other—

Mr. **Frank**. So the budget does not assume any increase in personnel. What you just told me is your budget is your base with increases in this and that and some daycare and other—at the 4.2, would you be able to hire increased personnel?

Ms. **King**. Yes.

Mr. **Frank**. How many would you be able to hire?

Ms. **King**. We would be able to hire increased personnel, yes.

Mr. **Frank**. How many?

Ms. **King**. If—

Mr. **Frank**. Ask one of your staff. That is not a hard question.

Ms. **King**. No, but Mr. Frank, let me just say—

Mr. **Frank**. I didn't say how many you plan to, but if you got your 4.2, what is the maximum number—again, I want to come back to this. I am glad you are trying and you are making it a lot better and you inherited a disaster and shame on them and shame on us for letting it happen, but now I want to know how much better we get, and I don't think you can get better unless you have more people. I think you have made that clear to us because you are talking about this one calls and that one calls. We are going to need more people. I want to know what is the maximum number of additional people you will be able to hire if you get the 4.2.

Ms. **King**. I could hire up to 1,500 more people if I traded off on some other things.

Mr. **Frank**. But you don't want to do that.

Ms. **King**. It depends—

Mr. **Frank**. Suppose you got everything—

Ms. **King**. If I need to, I will.

Mr. **Frank**. Yes, but tradeoff on what things?

Ms. **King**. Training, overtime, all—

Mr. **Frank**. All of which you need. So, in other words, you haven't got much—suppose you didn't—how much could you hire if you didn't trade off? The point appears to be that you are not planning to hire any new people unless you do it by cutting overtime, cutting training. We don't want to tell you to do that.

Ms. **King**. Mr. Frank, you said it wasn't a trick question. You said, tell me—

Mr. **Frank**. Right—

Ms. **King**. —how many people you could hire and then I tell you how many I could hire—

Mr. **Frank**. And I am explaining why I disagree with that—

Ms. **King**. —but you understand that the number that I had requested has built into it a whole range of things—

Mr. **Frank**. No, what I understand is this, that you are now telling me, and this is not a trick question—we are getting to the heart of this. The problem is we cut too many people and you can't do the job with inadequate people, and as you describe it, the problem keeps coming back to inadequate—not inadequate people, but inadequate numbers of very adequate people—and the problem we have is this: When I say how many more can you hire, you said, "Well, if I didn't do overtime and I didn't do computers, yes"—

Ms. **King**. You gave me the caveat—

Mr. **Frank**. Right.

Ms. **King**. —I was only using your rules—

Mr. **Frank**. Yes, I did, Commissioner, because I am trying to find out whether your budget is an honest budget in terms of personnel, and if you are saying to me—and you gave me a straight answer—you could hire additional personnel only at the cost of cutting out other things that you think you need, then we are not going to get any better.

Ms. **King**. The real—

Mr. **Frank**. So my question is—

Ms. **King**. The honest answer that I gave you first was that I need—

Mr. **Frank**. You don't know how many people you need—

Ms. **King**. I need a period of stability to determine how many people I need to hire—

Mr. **Frank**. Commissioner King, that is not—

Ms. **King**. —the answer is—

Mr. **Frank**. —my—the question is, you made a budget request. I want to get to the point. I think—let me be very clear. I think we are still getting games played. I think you are well-intentioned, but you are not OMB and I think the budget you have given us is clearly not enough to hire any significant number of increased people, and therefore, we are going to be in the same box, despite all your good intentions, and that is what I am trying to get at.

When you tell me that, at the 4.2, you could hire new people if you determined you need them—and I understand you haven't determined that—I think you clearly do, but that is up to you to decide later, but what you are telling me is that you will be able to hire new people only if you make offsetting cuts in other things that you need.

Ms. **King**. No, I didn't say offsetting cuts. I said if we hire new people, they would have to—

Mr. **Frank**. You wouldn't be able to do training and overtime to the extent that you otherwise wanted. Overtime is obviously—

Ms. **King**. I would not do it to the extent I would have to do it if I didn't hire those people. If I bring on new people, I have to train them, obviously.

Mr. **Frank**. But I thought you said that there would be a budgetary tradeoff. If you hired 1,500 new people—

Mr. **Frank**. Then I would not have to have all the additional overtime that is currently—

Ms. **King**. Right. What about training? You said—you suggested training. What else would you have to give up if you hired these 1,500 new people?

Ms. **King**. There are a number of categories. For instance, if you bring on 1,500 new people, you are going to have to make sure that each one has a desk. You are going to have to make sure—

Mr. **Frank**. What would you have to give up if you brought in the 1,500 new people? You said that you could bring—hire up to 1,500 new people, but there would be some budgetary tradeoffs. I want to know what they are.

Ms. **King**. Travel, money for conferences—

Mr. **Frank**. Oh, good, I am for that. Throw that out. Conferences are usually—conferences are almost always a waste of time, I agree with that, but what else? I think, Commissioner, what you are trying to do—

Ms. **King**. Those are the kinds of things that are in that category, Mr. Frank, if I used them all for personnel, if I brought on all new people—

Mr. **Frank**. Fifteen hundred is the maximum you said you could bring on.

Ms. **King**. That is right.

Mr. **Frank**. Yes. But if you did that which I still would like, you would have to spend more for training, presumably, if you brought on 1,500 new people—

Ms. **King**. I would have to spend money—

Mr. **Frank**. —to train them.

Ms. **King**. —for training—

Mr. **Frank**. Would you have to cut back any equipment that you are planning to buy?

Ms. **King**. I would have to cut back on furniture that we were planning to buy for some of our older offices to replace desks whose drawers don't close or wobble or—

Mr. **Frank**. That is my point. Your budget is not really aimed at allowing for new people. What you are saying is that if it really turned out that all these other things don't work, you could hire new people, but at the cost of other things you need.

The budget is clearly, it seems to me—and let me just ask you, what is the—the budget does come from the Trust Funds?

Ms. **King**. Yes.

Mr. **Frank**. Your administrative budget comes from—

Ms. **King**. Yes. The Trust Funds.

Mr. **Frank**. Business Week was wrong about that, we should note for the record.

Ms. **King**. Business Week was wrong about that. I have written them a letter to that—

Mr. **Frank**. So it comes from the Trust Funds, which are in surplus. Correct?

Ms. **King**. Yes, it comes from the Trust Funds—

Mr. **Frank**. Which are in surplus.

Ms. **King**. —which has a reserve, yes, that is correct.

Mr. **Frank**. So what we are saying is—do you have any idea what the surplus will be this year?

Ms. **King**. We are anticipating somewhere in the neighborhood of $79 billion this year.

Mr. **Frank**. So, with a surplus of $79 billion, it seems to me you are still nickle-and-diming and we are still going to wind up with an inadequate number of personnel and I think that is the lesson I draw from your testimony. Good intentions, but it sounds like OMB still won't let you do the job.

Thank you.

Thank you, Mr. Chairman.

Mr. **Hughes**. The time of the gentleman has expired.

I am going to see if I can't take the Members in the order in which they arrived.

The gentleman from Oregon.

Mr. **DeFazio**. Thank you, Mr. Chairman. Ms. King, I want to say you are a breath of fresh air compared to your predecessor. I went down and met with her a couple of times, talked to her on the phone and she couldn't even tell when a hiring freeze or staff reductions were staff reductions and always denied what she was doing. I appreciate, you know, as far as you have gone with your planning to try and repair some of the damage.

I guess the point that I think that my colleague, Mr. Frank, was trying to make is the one thing we can ask for here in Congress is for people in the administration to don't fear their masters at OMB and come forward and tell us honestly what they believe they need as professional managers in order to get the job and the objectives done.

I think you have set some very worthy objectives and goals in your planning here. I think a number of the things you have outlined will begin to move us toward those objectives and goals and repair some of the damage, but I have to share Representative Frank's skepticism that the amount of money that is being requested is adequate.

Now, I realize you can't repair all the damage all at once, but we are looking at the next budget year, which is, I think, far enough out that you can assess the true damage and the true need.

I guess what I would say, if—let's do a hypothetical and perhaps your masters at OMB won't object to your answering this question honestly, although I know in dealing with the Forest Service, they really do seem to object to honest answers, but if we could succeed in getting Social Security off budget, and it was no longer computed in the grand Gramm-Rudman deficit calculations and if you were to maintain your position and you were able to plan for the future of Social Security in a service orientation, could you give us a number that you would ask for, and if you can't give us that today, I would hope, as you go through this assessment of the problems, you could give us that number in the near future honestly because that is what we would like to have.

I mean, we just want to provide the service, you want to provide the service, but we are frustrated here.

Ms. KING. Thank you, Congressman, I appreciate that. I want to thank you for adding that perspective.

The bottom line is that the process review, on which you have all seen the reports, looked at a set number of offices. We tried to look at urban offices and rural offices, small and large, but they didn't look at every one. I am not about to come up and tell you at this point exactly what every office needs.

I think we need to continue our process review to carefully assess where we need to go, but that is my assessment at this point, knowing the people we have on board, knowing how many people we are going to hire in the near term and how many people I plan to hire by the end of this fiscal year. I think we are asking for an amount that is adequate to provide for training, furniture, and all the needs that they have, including the pay raise that we have to anticipate is going to kick in at the beginning of next year to all of our employees .

My sense is that a well-trained staff who are equipped with adequate resources will, I think, be a major factor in answering the question how many more people will you have to add, not only next year, but in the out-years.

Our workload is increasing—

Mr. DEFAZIO. Sure, I am part of the baby boom.

Ms. KING. That is right. The workload was increasing unfortunately, at a time the workforce was decreasing. What we found is that all the technology improvements were not sufficient to help us keep up—

Mr. DEFAZIO. Or weren't in place.

Ms. KING. And even those that are now in place will very quickly be used up with the way the workload is growing.

So I appreciate your request. I will keep you apprised of all of the information we gather from our process review. I am delighted that this committee, and that this subcommittee have taken an interest in the fact that a lot of work went into that and that it was done because a lot of our employees were really hurting and came forward and shared with us what it was we needed to do and we are trying to respond to that.

Mr. DeFazio. I just want to—my perspective as someone who has done congressional casework in Social Security and I have a professional background in gerontology and I am pretty familiar with—I would suggest there are other changes that need to be looked at in the way you process claims and I will provide some of those in writing.

I would like to deal with another looming problem we have here, though, and that is the recent Supreme Court decision. Are you going to amend your budget plans, given the fact that this wasn't anticipated at the time—I don't believe it was anticipated at the time that you drew up your budget. That is, how are we going to deal with the potential for a quarter of a million or some percentage of that review requests for past-denied SSI claims for childhood disability?

Ms. King. We already know that this is going to be a major undertaking. We have not yet been able to assess the cost of Zebley. Part of the reason for that is that the meeting with the court takes place next week. There are a number of issues to be worked out. How far do we go back and review cases? From the time that the statute went into place or from the time the regulationss went into place, or from the time the court case was first filed?

All of that needs to be worked out. We have no doubt that this is going to generate a tremendous workload and it is going to be over a period of time. We won't need to do it all at once, but we are going to move with all alacrity. We have already got our work teams up and running in Social Security. We had them going the very week that the decision came down.

Mr. DeFazio. In the sense that it was unanticipated and you have already—you know—

Ms. King. We have done a lot of the preliminary work. We have medical—

Mr. DeFazio. I mean—

Ms. King. —assessment teams in place—

Mr. DeFazio. —would this mean a supplemental? Do you think a supplemental budget request might be necessary?

Ms. King. That is my assessment at this point. As I see what the numbers begin to look like, they could be very, very large, and there is no way that we can accommodate them within our current budget request.

Mr. DeFazio. Okay. Thank you, I appreciate that.

Mr. Chairman, I have no further questions at this time.

Mr. Hughes. The gentleman from Nevada.

Mr. Bilbray. Yes, before I get to the question I want to get into, what was your original request, following up what was an earlier question, that you submitted to the OMB? You got 4.2, what has been submitted—

Ms. King. The actual number we submitted was $4.167 billion.

Mr. Bilbray. And you got?

Ms. King. 4.167.

Mr. BILBRAY. All right, so you got exactly what you requested.

The second is, and Representative Frank's concern is one of my concerns, too, is the fact that I get the same kinds of complaints he gets and the same kinds my colleague from Oregon gets or anybody else on this committee, that people are not getting the information, that the Social Security phones line are tied up. So, therefore, in the next senior's mailing that I send out, I am going to mention about 10 a.m. to 3 p.m. being the busiest hours and try to call earlier or later. Perhaps other Members would do that, too.

Third, I am going to talk to the chairman of this committee and suggest that we urge the Appropriations Committee to dedicate some of those funds that are increased—to increase in hires so that, even though it kind of puts some shackles on you, it gives some guidance from Congress that we would like a greater portion of this money dedicated to putting additional personnel at Social Security. Congress is always accused of micromanaging, and I don't dislike us micromanaging. I think in some areas, especially when we have constant complaints from our constituents, we have to do it.

The question I have came out of a hearing we had this past Monday when Secretary Sullivan came—and I am trying to quote him exactly—he stated that he would like to see the Social Security System become a one-stop shopping area for seniors, where you would handle services for Medicare, senior nutritional programs and other programs that help the elderly and that it would be centralized within the Social Security System so that these seniors don't have to go from office to office and try to figure out where they have to go. This would be a great aid to our congressional office to know who we are dealing with on a continual basis.

If this mandate is put upon you, do you agree with it, and second is, how many more people will you need?

Ms. KING. We absolutely agree with it. We have, as you know, the 1,300-field-office network. The other offices within our department do not, and so our offices are already in place. We also provide that kind of service through contact stations.

What we have in place, though, within the department, are memoranda of understanding between the Administration on Aging, Health Care Finance Administration, and Social Security Administration, so that each of us is very clear about what our respective requirements are. What I have been urging my colleagues, Joyce Berry and Gail Wilensky, to do is to constantly provide training from their agency to our folks at Social Security so that we are up on the latest information on Medicare and Medicaid. We already know where the feeding programs are in our communities. We want to tie in more clearly with the Administration on Aging and we will be using them for some of our outreach activities. That is why, if people come to us, we will be in a position so that they don't have to go anywhere else and we won't have to send them anywhere else. We ought to be in position, since we are in most communities, to tell them right there at Social Security the full range of services to which they may be entitled.

Mr. BILBRAY. My understanding—further than that—not only will you become the information source to tell people where to go, that you would be the ultimate area where a person could sign up for programs—

Ms. **King**. Exactly.

Mr. **Bilbray**. —and so forth, and that we may end up getting rid of a layer of bureaucracy. In other words you approve of taking over those responsibilities?

Ms. **King**. We need to be clear on the things that we would do. We are not talking about taking over county assistance programs and signing people up for—

Mr. **Bilbray**. I understand that.

Ms. **King**. —AFDC, which is one of the reasons I didn't mention the Family Support Administration's programs, but we ought to be able to give people all the initial information about that program since that is a program administered by our department.

The one-stop shopping notion is a very real one. Social Security is a part of the Department of Health and Human Services. We have brochures on Social Security at our office, but we also have the ability to have brochures on all of our other departmental programs there. We ought to be playing that role.

Yes, I agree that that is something that we are trying to do, that we need to improve on, and I think that the agency and the department itself now understands that role for us.

Mr. **Bilbray**. How many more people do you need to handle that or can you handle it with what you are budgeting in the present budget?

Ms. **King**. We are anticipating that we would be tapping our sister agencies within the department for additional resources in order to handle any additional workload.

Mr. **Bilbray**. Are they cooperating?

Ms. **King**. They certainly are.

Mr. **Bilbray**. All right.

Thank you, Mr. Chairman.

Mr. **Hughes**. The gentleman from New York.

Mr. **Manton**. Thank you, Mr. Chairman. Good morning, Commissioner. I know, as you testified, a lot of the problems that we are dealing with here today were not caused by your watch and that you are now in the process of a mop-up or cleanup operation, which is sometimes not a job for which you will receive appropriate thanks.

I represent the 9th Congressional District of New York, which has the twelfth highest number of senior citizens out of the 435 districts around the country. My district—I represent about one-quarter of Queens County is unlike some other counties where they don't even have an office. With a quarter of Queens County, I have four offices and they have a very busy workload.

I am glad that it was pointed out that Business Week was inaccurate when they said that the staffing costs come out of general revenues, because I have been going around saying that as part of the payroll tax that workers pay when they are employed, they expect at least two things. One is that they are going to get proper benefits when they retire, a pension or whatever you want to call it. The other is that they get service properly and that the money—part of the money that they pay in and the employer pays in goes to staff the offices.

I think when we find that people have long waits or are getting misinformation or can't get through, that they are not getting the service that they paid for during their working years when the money was being taken out every week.

A recent survey in the New York area of managers indicates that 69 percent indicated they are unable to handle all of their workload and that 46 percent indicated that they spent more than a third of their time on ministerial acts, clerical work and other acts that really should not be the job of a manager.

Is this an effective way to use managerial talent?

Ms. KING. I believe the managers have learned one thing from this experience, Congressman, and that is that there is such a thing as a professional clerical. What I found interesting is that in the downsizing, there seemed to be a view that the first group of people they could get rid of were clerical people, and if you look at the statistics, we have come down from some 3,200 clerical workers. I should have the exact number for you if I am going to make the point, but we lost a goodly number of them and the very first thing that the managers came to realize is that clericals, indeed, are professionals in their own right.

They know how to handle those phones when they ring, and they know how to handle those machines, and they can turn out the work, and they can produce the cases and the letters that go out to people. I agree with you. I think that doing clerical work is a terrible misuse of managers' time and talent and I think that is something we need to correct. I find it very interesting that when our strike teams go out and say to the managers, "Tell us what you need for your office," one of the first things the managers are saying now is, "we need a clerical person in this office." They are recognizing that they do need to bring some of those positions back because they are as valuable to Social Security's work as any other position.

Part of the reason I suspended the numerical goals, as I said, is for this very reason. If people feel they cannot do a review of 69 percent of the work in their office, what they will do is turn out the work that is going to be looked at and that people are going to give them credit for. But managers know in their hearts that there is a whole body of things that they need to be doing that they are not doing. That is why I think it is important for us to go back and take a look at what we have been asking people to do and credit them for all of the work we have been asking them to do.

I have been asking people to do a better job on SSI outreach, but if we are not going to give people credit for SSI outreach work, for taking the time to go out and take that claim and work through those problems—

Mr. MANTON. I think you are right, I mean—

Ms. KING. —how can I ask them to do that?

Mr. MANTON. —we are not in the bean-counting business here. We are dealing—

Ms. KING. We are dealing with people.

Mr. MANTON. —with perhaps the frailer side of society—

Ms. KING. Exactly.

Mr. MANTON. —because they are elderly or disabled and so I think throwing out that regime of bean-counting and making tick marks is—

Ms. KING. It is terrible. It is terrible.

Mr. MANTON. —is a good start to recovery.

Ms. KING. Congressman, we lost about 39 percent of clerical staff and other people who were performing clerical work. I think that is a tremendous loss.

Mr. MANTON. On that note, you indicated that your budget request of 4.2 billion is up about 400 million, is it, over—maybe a little less than 400 million over—

Ms. KING. Over the original request from the previous year.

Mr. MANTON. Now, to hire—well, you have 1,300 offices, so if you hire 1,500 people, that really kind of translates into less than two people for each office.

Ms. KING. What you are looking at is, I think, probably an oversimplification of what has happened. In many offices across Social Security over the past 6 years, the downsizing had minimal impact. The people have not noticed any change in those offices.

In some of our larger urban areas, though, they have been hit pretty hard, and so it would probably not be an average of one or two people per office. It would be probably a larger number of people going into certain offices.

Mr. MANTON. The cost of that—I don't think what these entry-level salaries are, but I would suspect they are 20- to 25,000, perhaps, or—

Ms. KING. Unfortunately, they are not that high, and I think—

Mr. MANTON. —thirty to forty—

Ms. KING. —that is another thing we have to work on, but that is tomorrow's problem. We are finding that entry-level positions at Social Security are about as competitive in slary as working at McDonald's because McDonald's does give a stipend for child care and we do not.

So we have to look at that.

Mr. MANTON. So you are saying, I think, that we may have trouble recruiting, even though we are motivated to recruit people to fill these positions that have been eliminated, that we may very well have—

Ms. KING. In certain areas of the country, I believe that may be a problem. It doesn't mean that we are not going to try to do our very best. We are going to get out there and recruit on the campuses as well. One of the things I found very effective was to offer people who are part-time employees full-time employment because their circumstances may have changed and they could probably come on full time and they are already trained.

We are going to be looking at a variety of ways but it is very difficult in some of the higher cost-of-living areas.

Mr. MANTON. The last point is, on the 800 phone number, it appears that rather than decrease the workload in the offices, it has increased the workload. What are we going to do? Are we going to continue to promote that program or scale it back or how are we going to deal with that?

I mean, this is a very important—

Ms. KING. That is a good question.

Mr. MANTON. That contact that senior has to make—to them, it is the biggest problem in the world—I know, because I have—out of nine people, I have one person in my district office that is devoted only to senior citizen activities and most of it is Social Security. Some of it deals with housing, but basically I have one out of nine of my people devoted to following up the Social Security Administration.

Ms. KING. The whole notion of an 800 number was to supplement, to complement service already provided in field offices. What we found is that a lot of people find it a lot more comfortable to pick up the phone in their living room and call us, rather than put on their boots and a coat and stand and wait for a bus and come down to the Social Security office and sit in one of those little chairs and wait for somebody to serve them.

The 800 telephone number has been a success. In fact, part of the problem that we have is the fact that it has been such a tremendous success. The Office of the Inspector General did a recent client-satisfaction survey and over 67 percent of the people who were contacted said if they had to do business with Social Security again, they would want to do it by telephone. Eighty-eight percent of the people who called said they wanted to do business by telephone.

One of the things I have found out, if anybody ever doubted it, is that there is a real partnership between Social Security and the Members of Congress, because you are right, if they can't get through to us, they do get through to you.

Mr. MANTON. You heard the story about the Congressman who got the call that the garbage wasn't picked up and the Congressman asked the caller, "Why did you call here? Why didn't you call the Sanitation Department?" They said, "We didn't want to start at the top."

Ms. KING. I am going to start at the top if I can, Congressman, because I have a request in to put a contact station here on the Hill. I would like to hang out a Social Security shingle right here on Capitol Hill, to set up our computer, to have a full-time person here serving in that office to expedite information between the Hill and Social Security. I think it would make things a lot easier for the Members and for us. You would know that you have someone right on the spot to try to help you. We have made that request and it is under consideration. I think the big drawback on the House side is space, but it is my preference to put it over on this side of the Capitol if at all possible.

Mr. MANTON. Sounds like a good idea.

I don't have any further questions, Mr. Chairman, and I look forward to a good working relationship with the Commissioner. I think she has a lot of good ideas in trying to clean up what was not caused on her watch.

Mr. HUGHES. I thank the gentleman.

I am going to have another round and I will try to keep my questions and answers to 5 minutes and I will ask my colleagues to do the same on this round because we still have another panel to move ahead.

You know, part of the problem, Commissioner, and I realize that it is not of your making. You are trying to—as my colleague from

New York aptly described it, trying to mop up after the fiasco you find that you have inherited. But since 1984, we have reduced Social Security staffing by 17,500 full-time-equivalent staff. 17,500.

We have gone from 80,250 staff in 1984 down to 62,500 today. The whole idea, of course—and I think that OMB knew this when we set up the 1-800 number—is that it was not going to reduce the workload by that much. However, perhaps we could, through computer and automation, do a far better job clearing casework. But the demands are increasing, too.

So what we end up with, really, is 17,500 fewer employees. Now, we didn't have that much slack in 1984. We perhaps could have achieved some efficiencies, but they were doing the job back in 1984 that they were given. That was their charter.

Frankly, when we talk in terms of adding 400 staffers, it is a drop in the bucket. It is going to perhaps help out the very, very stressed out offices, but it is not going to relieve the overall problem. It is compounded because our computer capability has not moved along as we had hoped. The General Accounting Office basically criticized the program somewhat, as you well know, because SSA's goals had not indicated how many employees we are going to need to staff the computer modernization process. We have contracted out part of that work, as I understand it, and so we don't really have in mind yet the kind of an automated system we are going to have eventually.

So my question is, how are we going to meet the needs that are out there if all we are talking about in the first round is 400 staff, or 800, or even 1,500, for which we have no resources?

Ms. KING. Mr. Chairman, I would take issue with one comment that you made, and that is that we are not making great strides as far as our modernized claims and computer efforts, computer modernization at the agency are concerned. We have gotten away from a lot of paper at the agency. It now takes one person, the claims representative, the same time to do a claim that it used to take three or four people to do because they have the benefit of a computerized data base. They can do a number of functions on the machine, on line, and more accurately. We can provide all manner of data to people about their earnings records. We are posting them a lot more quickly.

It was never intended that our computer modernization would offset all of the staffing reductions, but it has helped us tremendously.

Mr. HUGHES. I was referring to the General Accounting Office's criticism in their January, 1989, study, and I quote, "SSA has not effectively performed capacity management activities needed to accurately assess its computer needs."

It goes on, "It lacks the plan"—that is, SSA's computer plan—"lacks such things as the objective, staff needs, equipment needs, sources of funding for such projects."

Ms. KING. They are talking about—

Mr. HUGHES. That is their criticism.

Ms. KING. They are talking about future long-range needs of the agency and most of those have now been addressed. We have recently completed a plan which has been reviewed by the National Academy of Sciences, which is working along with us very closely and advising us every step of the way on our future computer needs. For example, software packages are allowing us to put up double screens now so that we can do a number of functions at the same time without having to shut down one function and go to another.

Mr. HUGHES. But here is what is happening to you, and I think you know it, and I am not questioning your sincerity in any way. It just seems to me that we are not really addressing the problem that is out there.

First of all, the 1-800 number basically has overwhelmed us and we haven't decided yet how to deal with that. Secondly, we have not yet corrected the inadequacies in the field offices insofar as providing addresses, telephone numbers for people to contact our offices there. We will not until it is in the telephone books and very shortly, if not already, they are publishing those books and we will be left out again another year.

Our contact stations are being cut back because we don't have the personnel to manage those. I suspect we don't know what to do at this point with many of the contact stations.

The field offices are overwhelmed and we have people leaving in droves because they are overwhelmed and while there is some hope on the horizon, that isn't any help today. In some of my field offices, out of a small field office, we have sometimes up to two people that are looking actively for other employment because they are so overwhelmed and the morale problem is so serious.

We don't have yet in place a computer system that is going to help us and we don't have resources at this point to address the problems. Four hundred slots is not going to correct that problem.

Ms. KING. Mr. Chairman, I would agree with you that, indeed, there may well be problems in your local offices. I have not visited your local offices, but I have worked very closely with the regional commissioner for your region and with a number of the managers in that area.

What I am doing right now is attempting to bring a period of stability to the agency so that we can look very carefully at what our needs are. We are not going to solve these problems tomorrow.

Mr. HUGHES. Commissioner, 400 slots will not do that in the near term, not when you cut out 17,500 slots.

Look, I won't pursue it any further because my time is up, but I think that your intentions are wonderful and I realize that the Office of Management and Budget really doesn't care, really, about the program. OMB is interested in trying to make the deficit look smaller. They don't care about the program.

I suppose—you know, we talk about trust funds. My colleagues are lawyers, if we were, in fact, looking at somebody that was a fiduciary, a trustee, managing these funds, they would be up for a breach of fiduciary responsibility to the beneficiaries, if not for embezzlement of the funds.

Mr. BILBRAY. Mr. DeFazio is hurt by that comment that he is a lawyer, but that is all right. I accept that.

Mr. HUGHES. Twice today. But the fact of the matter is that these are not our funds, basically, to make the budget look good. These funds are to be used to manage a program that we have taken hard-earned dollars away from the working folks of this country to make sure there is adequate funds to manage this program efficiently, effectively and to the benefit of the beneficiaries—

Ms. KING. That is exactly—

Mr. HUGHES. —and we are not doing that.

Ms. KING. Mr. Chairman, I can't speak to the motives of my colleagues at the Office of Management and Budget, but I can speak to the motives of the President of the United States, and I believe he cares about this program, and I believe he cares that it be managed—

Mr. HUGHES. I understand—

Ms. KING. —in a way—

Mr. HUGHES. —and I want it known—the record will show that Commissioner King does not agree with me when I say that Mr. Darman cares about the bottom line—the deficit, and doesn't worry very much about the management of the program. I said that and I believe that and he has proven it to us over and over again.

The gentleman from Nevada.

Mr. BILBRAY. Thank you, Mr. Chairman.

First of all, from your statements, I agree with you, Mr. Chairman. Again, I would urge the committee to urge the Appropriations Committee to dedicate some of these funds to new hires and to make sure some of these problems are corrected because I, too, am fearful that of the additional moneys provided, much of it will go to other areas other than putting new people on, and if we dedicate that money so the money can only be spent for new hires in the department, we might get these additional 1,500 people on line because it is a serious problem.

A little side question. You said that the heavy emphasis and heavy usage of the phones from 10 to 3—being a West Coast Congressman, like my colleague from Oregon, is that 10 to 3 eastern time, western time or—

Ms. KING. It is the same across the country, Congressman.

Mr. BILBRAY. Now, do the 800 lines—do they come here to Washington? Is that what they do?

Ms. KING. No. There are 37 teleservice centers across the Nation. There are four megaservice centers, one in Baltimore, one in Birmingham, one in Albuquerque and one in Auburn, Washington, up near Seattle.

Mr. BILBRAY. So if a person in Nevada picks up the phone and calls the 800 number, he will be routed into his nearest regional or will the computer pop it all over the country, depending on which lines are open?

Ms. KING. If the teleservice lines in your immediate area are busy, then it normally will kick it to one of the megateleservice centers closest to you.

Mr. BILBRAY. So my idea of telling my people, call before 10 and after 3, if I am in the Pacific Coast time, may mean nothing?

Ms. KING. No, it will—you are covered in your area from 7 in the morning until 7 at night, so if your folks call 7 in the morning for your area—

Mr. BILBRAY. Then the odds—

Ms. KING. —the calls will be—

Mr. BILBRAY. —of them getting through—

Ms. **King**. —there will be a person on the other end of the phone.

Mr. **Bilbray**. How many total dedicated lines do you have in the entire country?

Ms. **King**. I really don't know. We could provide that for the record.

Mr. **Bilbray**. Are we talking about 500, 1,000, 50? I am just curious.

Ms. **King**. Thirty-five hundred is the—

Mr. **Bilbray**. Thirty-five hundred lines, and how many seniors are there that are on Social Security in the country?

Ms. **King**. Seniors only or people calling us, doing business with Social Security?

Mr. **Bilbray**. Let's first—

Ms. **King**. The problem is that it won't just be seniors who will be calling our office.

Mr. **Bilbray**. Roughly, my colleague says there are 20 million seniors on Social—28 million—

Ms. **King**. About 29 million seniors—

Mr. **Bilbray**. —on Social Security.

Ms. **King**. —on Social Security.

Mr. **Bilbray**. Theoretically, not all call, of course, but—and then there are others that do, and you have 3,500 lines in the country at any one given time? In your budget, do you intend to increase that number of lines?

Ms. **King**. At this point, what we are trying to do is to assess the first 6-month period. We don't really have all the information we need to begin right now to talk about whether we need to augment the staff, increase the number of megaservice centers or put things back into field offices. What we want to do is to get this period of 6 months of experience in having this nationwide teleservice number work for us and then we will take a look at all the changes we can make. We believe that, with better routing, with getting people accustomed to calling us over the phone for a period, the 800 number will work much better. We have got spike units—special units in a couple of our processing centers, that, at a certain point of the day, begin to pick up the telephone calls to handle the peak points.

What we are trying to do is put resources there. We are not sure that putting the telephone numbers or the telephones back in field offices is going to solve what is perceived to be a problem that can't be solved by focusing only on the 800 number.

My sense is that we still need to go almost hour by hour to ensure that we have people on the lines as well as to try to even out the peaks of people calling in.

Mr. **Bilbray**. I will tell you what happens, because I just took a tour of your field office in Las Vegas just recently. By the way, they are very cooperative people. I will tell you, you have some outstanding very cooperative people, who want to work with us, and have always helped my caseworkers, but I find the seniors again complaining they can't get through the 800 number.

Then I go out there and find seniors from all over the district, and mine is not a huge district like the other district in Nevada, which is 108,000 square miles. Mine is only 2,000 square miles, but they come in from all over the district and, because they can't get through on the 800 number, you find the seniors standing in line there at the office, which has to put a burden on the field office because the seniors are constantly coming in because they can't get through on the telephones.

That is the concern. I will try to inform them about maybe the hour differentials, try these hours, try these, but again, I don't know, with 3,500 lines—and I am no expert on telecommunications—I can't pretend to tell you—

Ms. KING. It is not just 3,500 telephones when you are talking about lines.

Mr. BILBRAY. I know what you mean by lines. I understand exactly what you mean and we have WATS lines in our office—we have two and 90 percent of the time I have to run around trying to get somebody off one so I can use it. But these lines can fill up very quickly and it has to be a management decision for you how many you do need and you meet—I feel you need more lines and you need more people and that is what I think our—

Ms. KING. I think it is incumbent on us because we are the government, to try to use, to the best of our ability, the resources that we have. If we are not getting those calls across the 12-hour period, either we need to decide whether we keep the lines open for 12 hours or we need to put some effort into getting those calls evened out.

I think the first thing we are going to try to do is to encourage people to call us during off-peak times and then we will go from there.

Mr. BILBRAY. Thank you.

Mr. HUGHES. Okay. The gentleman from Oregon, an admitted nonlawyer.

Mr. DEFAZIO. Thank you, Mr. Chairman. It gets me quite a few votes.

Mr. DEFAZIO. I would just like to go back to try and cover some ground again very quickly.

In terms of the downsizing, I don't know—I think that there is more than minimal impact almost everywhere. You mentioned in particular the major urban areas, but I know that there has been a tremendous impact in my district, which is not particularly urban. It is very large, with two urban centers, but otherwise, about the size of two-thirds of New England.

One of the major impacts has been to cut back on the outreach, the contact offices. You know, I would just like to say—I mean, telephonic service is fine, but there are a certain number of seniors, particularly of this generation—it may change with my generation, where they really need the personal contact. They really do want to see a person. They don't communicate that well over the phones and at least into the indefinite future, I think we are going to have to try to orient our—it is good to try and convert people and move them on to something that would be more efficient, but on the other hand, I think we are going to have to recognize the reality of dealing with people of this generation, that you are going to have to maintain the contact offices and hopefully reinstate some of them or contact visits or however you want to look at it.

Ms. KING. The contact offices—we have hundreds of them—are smaller offices that are set up in specific places 1 day a week or 2 days a week, and one of the things we have recognized is that we need to keep some of those. If Social Security is indeed going to serve our entire public, we need to make sure that we can provide them access to us because they can't always come into a field office.

So the branch offices will stay in place and the field offices are there. The contact stations—many of them now have been shut down. As hospitals are consolidated or closed out, the contact station in that hospital may close down.

Mr. DeFazio. We still have places for them to be in my district—

Ms. King. We will—

Mr. DeFazio. —we just don't have enough people to put in them.

Ms. King. —our people are still going out on a regular basis to provide that kind of service, and we understand that that is a vital service for you.

Mr. DeFazio. Right. I would like you to give that particular scrutiny. The contact station on the Hill may work fine. My experience as a caseworker was that your people in the congressional liaison in Baltimore were excellent and—

Ms. King. Thank you.

Mr. DeFazio. —you know, I am—

Ms. King. I am sure they are all happy to hear you say that.

Mr. DeFazio. I haven't done it for 2 years, but my staff hasn't complained to me about it, so I think they are still doing a good job.

I would like to revisit a question that my colleague from Nevada put to you just because I find it a bit unusual, and again, I know this is an uncomfortable area for people who are politically appointed, but it seems to me highly unusual for an agency to get exactly what it requested through OMB these days, and I guess in pursuing this with the Forest Service, what I found out was basically they said, "We got what we requested," but as I pursued it further, they didn't ask for what they would have asked for if they hadn't been told what it was they might get when they requested and what they should ask for. So I wonder, was this an "I'm looking at rebuilding the Social Security Service orientation in terms of moving towards that goal, this is the most money that I could ask for and spend productively this year." I mean, is that the way you constructed the budget or was it more like, "Well, I know there's going to be some pressure the other way and I'm going to"—

Ms. King. Mr. DeFazio, I frankly came in with little to lose and my own sense was that I needed to look at as much information as could be provided me about what our needs were. I was presented with the first phase of the report on process review.

As I looked at that, I began to build in not only my needs for overtime, my needs for providing relief and resources and information technology systems, but also needs for training because I was very unhappy to find out that while the budget allowed for 8 weeks or 10 weeks of training for some of our new employees, the budget did not allow for retraining for people after they had been in place for a period of time, that there wasn't money built into our budget for sufficient training of supervisors.

My own definition of a supervisor is a person who is there to tell me what the people he supervises need in order to do their job, not someone who stands there to count the beans, if you will. So I was very unhappy and I said, "We need to build in training for them."

So I reviewed everything that I knew at the time.

Now, I made that request and while there were attempts to fiddle with it—Secretary Sullivan was very supportive and took that case directly to the President so that I probably am one of those very rare birds who managed to get what she asked for.

Now, the bottom line is that as the process review goes forward this year, and additional needs are made known to us, and as new workloads like the Zebley workload become clear to us, we will either have a responsibility to come back with a supplemental request or to build into next year's request some time down the road an additional amount.

But I assure you, Mr. DeFazio, I am not a shy person and I don't intend to have the 63,000 people at Social Security continue to try to do work against the odds.

Mr. DEFAZIO. Great, thank you.

Thank you, Mr. Chairman.

Mr. HUGHES. Does the gentleman from Iowa have any questions?

Mr. TAUKE. I apologize for being gone. Let me just raise a couple of questions that may or may not have been asked, and if they have been, just please tell me and I will consult the record.

As you know, in our own State of Iowa and elsewhere in the country, the rural community contact stations were eliminated some 2 years ago. What is the current SSA policy on rural contact stations?

Ms. KING. We currently have hundreds of contact stations across the country, Mr. Tauke, and we have not been eliminating as many as I would have thought. I was surprised to find out how many contact stations we actually had in rural areas.

It occurred to me that there ought to be a review of whether a contact station continued to have merit, but I thought that in order to do such a review there ought to be some criteria that we use to measure them all. Those criteria ought to be fair so that you remove the possibility that one contact station or one office or another is being moved or removed without justification.

So I have asked that if our criteria indicate that a contact station is to be closed that I be notified, that the Member in whose district that contact station be notified. That way, everybody knows what is going on and why so that there aren't any surprises. If we find out that we are wrong and that there isn't a reason to close that office, I think we are open to reconsideration.

So I only tell you my own experience with contact stations over, as I say, the last 7 months, but there are still quite a few of them in place around the country.

Mr. TAUKE. Is there any possibility that any stations would be opened in any areas that were formally served or where there may be a growing need now?

Ms. KING. If there is a growing need that can be justified, where numbers of people are not now being served, I would encourage you to bring that to our attention as quickly as possible so that we can look at the possibility there.

Very often, in some of the offices—and it is interesting that there is an office in your State that is probably going to be considered one of the stressed or troubled offices—there simply were no people who could be let go for a day or so to travel to places to set up a contact station.

I hope that as we get those imbalances corrected, there will be opportunities for us to provide better access to people who want to do business with Social Security.

Mr. TAUKE. I talked in my opening comments about the backlog issue and the measurement of the backlog. Have you taken any steps or do you intend to take any steps to determine what the backlog is, how we measure it? Do we have any idea at this point about what the content of it is. Is it SSI cases, post-entitlement cases? Can you give us any information on that?

Ms. KING. Backlogs are fluid numbers for us and sometimes we use them as a measure of whether we are paying too little attention to certain areas. While I can provide backlog numbers for the record, I will tell you that one of the things we do assiduously at SSA is put a good deal of overtime work into our field offices to get our backlogs reduced if we find that they are building.

So when we looked at backlogs for the agency, what we found is that they have been pretty static. Some of them have been coming down—a couple of them, have been increasing. Redeterminations appear to be on the increase, but again, that is one of the workloads that gets addressed as the year goes on through additional overtime.

I am continually frustrated by backlogs in hearings and appeals. Part of that is due to the fact that clerical staff has not been available as often as we would like to actually finish the cases once they go through the appeals process. We are spurred on by the fact that we are mid-year—fast approaching mid-year—so that we need to see just what we need to allocate for the second half of the year, doing a complete review of backlogs in all of our identifiable workloads, and in all our field offices. That information will be forthcoming and we will actually have some accurate numbers for you.

But as I said, the numbers will be fluid. The minute we see that numbers are creeping up, we immediately try to drive them down and hold them to as low a level as possible with the resources we have. So we will be providing you some additional information.

Mr. TAUKE. Thank you. That leads me into my last question, the resources you have. You indicated that you were planning to use the contingency reserve funds for staffing needs and I believe indicated in your comments that you had 48 million that was coming in those contingency funds to help with the hiring of additional staff.

Do you need to have OMB approval for that kind of expenditure of funds or does Congress have to approve your request—

Ms. KING. For the contingency?

Mr. TAUKE. Yes. How does that work?

Ms. KING. Last year, in the appropriations process, and I believe this may have happened in the previous 2 years, a portion of the appropriations request was actually set aside in a contingency fund. In fact, last year, the administration agreed that $48 million should be set aside in the event that Social Security needed it and the Congress added another $50 million so that $98 million of our appropriations request was set aside in a contingency.

What I then had the responsibility to do is to show that, indeed, I do need to use those funds and so what I sent up to OMB was a request for what I needed to have. Part of that, in order to keep our systems modernization on track, I needed to begin to get some of our software off the shelf and actually on to computers and we needed additional PCs in our field offices, so I sent up the total request and the $48 million was released.

I think that as we go through the year, just based on some of the workloads that you have heard us talk about today, we don't really know how quickly we are going to have to move into the Zebley implementation. We have already got the planning stages well in hand. We will meet with the court next week and we will start to really figure out how quickly we can get going, but some of that, we may have to go back and justify. We have workloads on the telephone and so we will just go back with our justification and seek additional funds.

Mr. TAUKE. So there is another $50 million there that is still in the contingency fund for this year—

Ms. KING. That is right.

Mr. TAUKE. —but OMB has to approve it, the expenditure?

Ms. KING. I will have to request it and OMB will have to release it.

Mr. TAUKE. If you request it, they have the option of not releasing it.

Ms. KING. What they have the option of doing, Mr. Tauke, is coming back and asking us for additional justification, but clearly, the money has been appropriated—if we justify what it is we need, as we have already done, my expectation is that that would not be a problem. For me, it is not an arbitrary thing. I think the one thing that I did feel I needed to establish is that as the manager of Social Security, I had a responsibility to say what it was I needed and to spell that out clearly and to justify it.

Mr. TAUKE. Sure. Now, the $4.2 billion request for the coming year, how much of that is contingency in the administration's request?

Ms. KING. There is, I believe, a $50 million contingency in that request. It is $4.167 billion.

Mr. TAUKE. Fifty million of the $4.167—

Ms. KING. —$67 is a contingency.

Mr. TAUKE. —is a contingency.

Ms. KING. Available to Social Security if needed.

Mr. TAUKE. Thank you, Mr. Chairman.

Mr. HUGHES. Okay, thank you.

Thank you very much, Commissioner. We appreciate your presence today and we appreciate your contributions and we look forward to working with you.

Ms. KING. Thank you so much, Mr. Chairman.

Mr. HUGHES. Thank you.

Our next witness or witnesses will be part of a panel. First is Ms. Barbara Kressman. Ms. Kressman is a constituent of mine and it is a pleasure to welcome her here today. She has a bachelor of arts degree in social work and her master of science degree in health education. She has worked since 1977 in hospitals, nursing homes, and retirement communities assisting our disabled and elderly citizens.

Currently, she is a social worker for the Cape May County Special Services School District and for the Atlantic County Personal Attendant Program. Her testimony will focus on the impact the staffing cuts at the Social Security Administration have had on her elderly and disabled clients and we welcome you, Ms. Kressman.

Our second witness on the panel is Ms. Patricia Freedman, attorney, Disability Law Center, of Boston, Massachusetts. Ms. Freedman has been a legal advocate for people with disabilities for the last 7 years and has specialized in Social Security disability matters.

She is a State support person for the other legal advocates who handle Social Security disability claims in Massachusetts. Her testimony will focus on the widespread effects that the staffing cuts have had for people attempting to secure and retain their Social Security and SSI benefits. We welcome you.

Ms. Linda Thomas, our third panelist, is a Social Security Claims Representative with the American Federation of Government Employees, Bridgeton, New Jersey. We welcome her here today.

Ms. Thomas has been a Claims Representative with the administration for some 16 years; that is, with the SSA. Ms. Thomas is also an on-site representative for Local 2369 of the AFGE in the Bridgeton, New Jersey, field office. She will address how downsizing has affected the way the field offices serve the client population, based on both personal experiences and the use of the New Jersey Social Security Office's Survey distributed by the American Federation of Government Employees. We welcome you here today, Ms. Thomas.

Finally, our fourth panelist is Mr. Jim Strassberger. Mr. Strassberger has been with the Social Security Administration for some 20 years. He has worked as a claim authorizer, a trainer, personnel specialist, and for the last 10 years, as a social insurance systems analyst and technical adviser. He is also the steward for Local 1923 of the American Federation of Government Employees.

He is involved with the agency's system modernization program and will share with the committee his impressions of the agency's ability to integrate and upgrade the mammoth computer operations at SSA.

We have your statements which we all have read. They are excellent statements. They will be made a part of the record in full. I have asked you to summarize, as you know, for today's testimony so you can summarize for us here today so we can get right into questions.

Why don't we just begin with you, Ms. Kressman, welcome.

A PANEL OF WITNESSES, CONSISTING OF BARBARA KRESSMAN, SOCIAL WORKER, EARLY INTERVENTION, SWAINTON, NEW JERSEY; PATRICIA FREEDMAN, STAFF ATTORNEY, DISABILITY LAW CENTER, BOSTON, MASSACHUSETTS; LINDA THOMAS, CLAIMS REPRESENTATIVE, SOCIAL SECURITY ADMINISTRATION, AND ON-SITE REPRESENTATIVE, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, BRIDGETON, NEW JERSEY; AND JAMES C. STRASSBERGER, SOCIAL SECURITY ADMINISTRATION SYSTEMS ANALYST, AND STEWARD, LOCAL 1923, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, BALTIMORE, MARYLAND

STATEMENT OF BARBARA KRESSMAN

Ms. KRESSMAN. It is my pleasure to testify before this subcommittee as a representative of the social service field who deals primarily with handicapped and elderly clients, both in New Jersey and Pennsylvania. I divide my work between Cape May County and Atlantic County and serve the elderly and disabled populations. I have found that these two populations require the most direct services in a one-to-one fashion as these two populations are experiencing many added stresses on top of the bureaucratic red tape that they have to go through in accessing services and getting services for themselves.

Many of my clients are very upset and distraught when they need to apply for services. They also do not have a clear understanding of the system and are very intimidated by the system.

Many clients, when they become disabled, lose their income and also their health insurance at the time of their disability. This can be a very, very stressful time for them and this loss, especially the private health insurance, many times forces them to apply for SSI or to Medicaid.

For many, this is a very humiliating and dehumanizing experience. At the same time, the long processing periods cause them to go through extra anguish in that many of them have many medical bills that are mounting up and they are receiving many threatening letters from collection agencies, and from hospitals and they are really unsure as to whether they are going to have any insurance coverage through Medicaid.

The recent Social Security staff reductions have definitely negatively impacted the services to these two populations.

I want to first discuss briefly the 800 phone lines, which have been discussed this morning. I find, aside from the usual problems of getting through to the 800 number, one of my concerns is the appropriateness of the 800 number. When you are dealing with elderly and disabled clientele, many times doing an assessment over the phone is probably the most inappropriate way to do an assessment. Clients have told me they don't understand what is being asked of them, incorrect information is being given to representatives and I have many cases to document this.

Trying to get through to the 800 line for these people is a very, very frustrating experience and for many of them with medical problems, it causes much stress to them.

It was mentioned this morning that clients can receive the number of their local Social Security and SSI offices. I have not found that to be true. In Cape May, people do know where the Social Security office is, but they must go there in person or they must call the 800 number. Now, it is very inappropriate for my clients to go to the Social Security office, as many of them are elderly, have no transportation or are disabled. So that is an added problem.

I am a strong advocate for increased homebound visits to these clients. They do need the one-to-one interaction and they also need to have representatives with them, such as their family, a social worker or someone to help them in making these applications. They don't understand the terminology that is being asked of them on the telephone and, as a result, they are giving inappropriate information.

Now, when clients do call to make an application, many of them are complaining to me they can't get through the 800 number. That is only the beginning of their problem because, of my clients that do get through and are going to have a phone application taken, many of them tell me that they are told that they will be contacted by Social Security in usually 4 to 5 weeks to take a phone application. I have one client who waited 7 weeks for that return call and then placed an application for disability.

What I also find happening is that clients are not being informed of other services which they may be eligible for. For example, if you apply for disability claims because many times that is the only program that a lot of people are aware of, many clients are not being told that they can also apply for SSI or that they might, in-fact, be eligible for SSI. Now, I feel if a thorough assessment was done at the time of intake, that these clients would be referred to apply to SSI at that time.

What is happening is that there is a 5-month period—there is a 5-month wait for disability payment, so clients are applying for disability, they are waiting the 5-month period, they are receiving their first disability check. They are unaware, many of them, that they would also be eligible for SSI and also Medicaid.

What is happening is somewhere along the pike, somebody says to them, "Well, maybe you should apply for SSI," so they make another phone call. SSI, I have found, or to my understanding, is processed according to the date that the application is taken on SSI, whereas disability claims are taken with documentation showing the actual date of the disability.

I have one client who has a letter from—an award letter from disability, an award letter from SSI with two different dates for beginning payments. Now, this client had an amputation of her leg on a said date, so I find it difficult that she would have two conflicting dates. The only thing I can figure out is that the difference is that the SSI was processed according to the date of application.

To compound this situation, clients who apply for SSI many times are more interested in the Medicaid benefit that goes with SSI than the actual income that goes with the SSI. They, in turn, have to wait to hear whether they have been approved for Medicaid.

Now, in some instances, when I am contacted by a client, I will say to, "Well, you're not going—you're not going to hear anything for a few months, so maybe you'd better go to your local welfare office and apply for welfare and see if you're eligible for Medicaid through the welfare office."

Whenever I do that to a client, and then the award letter comes to them, maybe 3, 4, 5 months later, then they have to go through the process of informing Social Security of any added income, which would be their welfare, and then they start the system all over again. So I don't know that I am really helping my clients except that for some, they feel more comfortable knowing that they are getting Medicaid through either the local county board of assistance while they are waiting to hear from the Federal Government.

Also, I find that when clients are receiving their award letters, which tell them that they are eligible for Medicaid, if they have not applied to the local county board of assistance, they now have to submit retroactive medical bills. So the system just seems to get more and more complicated for people who are already stressed out to begin with.

I also have clients who have called me and told me that they have called Social Security on the phone to report changes in income in that they have taken on a part-time job. That is what their award letters have told them to do and they are complying with what the government has told them, but, in fact, there have been so many mistakes on their new award letters that they are very reluctant to even make the calls any more.

Many of my clients feel that once they get a check, they are just happy to get a check and they just don't want to start over again. I think that many of the determinations are wrong. In fact, I know many of the determinations are wrong.

But the clients don't understand how the determinations were made in the first place and I am having difficulty with that myself. So I am sure that there are a great number of mistakes on many of the award letters that are going out.

I have one client who did report a small job that she was going to be receiving for 4 hours a week at $3.50 an hour and after reporting it, got a letter back saying that she is going to have $97 deducted from her SSI check beginning in April, 1990. Now, this is a 20-year-old female who is a college student who has muscular dystrophy. Now, fortunately, she understands the fact that there has been a mistake made in her letter and she has made calls and she has asked me to make calls to try to get this matter straightened out. But there are many people who have reported changes and have incorrect determinations and are unaware that they are incorrect.

I strongly recommend that—I don't have a problem with the 800 system being used for things such as a lost Social Security card, a lost Medicare card, but I find them completely inappropriate for doing assessments on the aging and disabled. I think that we need to reinstitute homebound visits and I think that, at the time of assessment, it is very important for the representative from Social Security to tell the client which other programs they need to apply for at that time because the delay that goes on between them applying for SSI when they, in fact, could have been eligible, results in the loss of payment to them and it is not their fault because they were not aware that they could, in fact, have applied maybe 2 or 3 months before.

I have a problem understanding the dates that the determinations are made. In my position in Cape May County, I work with parents of disabled children and from my understanding, it seems that the date of disability is the date that a specific diagnosis has been made. That is a very controversial issue and again causes much confusion.

I encourage clients, if at all possible, to have a personal interview in an office if there is any way they can get there and to bring someone—some type of support person to be there to help them. I think that secondary to having clients be advised of appropriate services, I feel there needs to be a general education effort made to the public and to the helping professionals that work with these clients as to what services are available and who are appropriate candidates for these services.

I hope that my experiences that I written about can shed some light on the current situation that exists for the handicapped and elderly populations today.

[The prepared statement of Ms. Kressman follows:]

THE EFFECTS OF THE RECENT REDUCTION IN SOCIAL SECURITY STAFF ON THE DELIVERY OF SERVICES TO THE PUBLIC

Testimony presented by Barbara Kressman to:
the United States House of Representatives Select Committee on Aging

March 8, 1990

It is both an honor and my pleasure to testify before this sub-committee as a representative of the Social Service field who deals primarily with the handicapped and elderly clients in New Jersey. Since 1977, I have been employed by various health care facilities, (hospitals, nursing homes, and retirement communities) and I have a comprehensive knowledge of the needs of these special individuals. Currently, I am employed as a social worker by Cape May Special Services School District in their Early Intervention Program. We provide direct services to babies ages birth to three years who are demonstrating developmental delays. I work closely with the parents and direct them to any needed and appropriate services such as SSI for their child. I am also currently employed as a private contractor to assess the needs of the clients applying for the Personal Attendant Program in Atlantic County. This program provides attendant services to handicapped and disabled adults. The goal of the program is to keep the client in the home setting and to provide them with the opportunity to participate in school, community, or work related activities with the assistance of their attendant. The clients range in age from early adulthood to the older adult. In doing my assessments for these clients, I also recommend any needed services such as disability, SSI, or Medicaid.

In my professional opinion, I conclude that these two groups of people in today's society, namely the disabled and the older adults, require the most direct services in a one to one fashion.

The Social Security system is a mysterious and misunderstood agency to these clients. I find few of my colleagues who understand the system as well. The aging and disabled clients, aside from experiencing the normal bureaucratic red tape and frustrations are also under many added stresses due to their present life situation. When clients are applying for disability or SSI, they are usually confused, upset, and emotionally drained from the recent changes in their life. Despite the popular belief that "they are looking for free government handouts", my experience has shown that these are, on the whole, a very proud group of people, many who are reluctant and upset about having to ask for assistance especially from the government or local County Board of Assistance. Some clients lose or exhaust their benefits following their disability. For them, the loss of their private insurance forces them to apply for Medicaid. This can be a very devastating and humiliating experience.

With the recent reduction in staffing of Social Security Adminstration, the effects are being felt directly by these populations. To intensify matters, these clients are now being made to feel not only worthless but burdensome. These people have had no control regarding the situations in which they currently find themselves, and they now feel powerless in attempting to deal with Social Security Adminstration. I have had some clients even refuse to apply for benefits because they do not want or need further aggravation and frustration from the system.

To begin the discussion of the present difficulties being experienced by myself and my clients, I will begin with the application process. Since the SSA staff reduction, there has been a greater reliance on phone intakes. As a social worker, I find that trying to contact SSA is a frustrating and time consuming task. Trying to get through to the 800 number requires a great deal of time, endurance, and patience. Contacting a representative can take anywhere from a few minutes to a few hours, depending on the time of day/month. When clients' calls are finally answered, they are then put on hold, awaiting an available representative. Just trying to make the initial contact can be so frustrating that some clients give up at this point. For clients with no telephones, who stand at pay phones trying to make these calls, it is often impossible for them to get through and they, too, give up. For the severely disabled and elderly clients, this frustration often upsets them to the point of causing physical and emotional reactions brought on by this stress. If and when the client does get through to a representative, they are then informed that they must wait to be contacted by the SSA, which will take their application over the telephone. Many times, weeks can go by before the phone application actually takes place. I have one client who was told she would be contacted in five weeks to have her application taken, but in fact it took seven weeks for her to be called. I have also found that if a client calls to apply for disability (because usually that is the only program they have heard about), they are not being advised that they may be eligible for other programs as well, such as SSI. This is a serious problem as many individuals find themselves with no income or insurance beginning on the day of their disability. Since disability payments have a five month waiting period before payment can be made, many of these clients could be eligible for SSI starting on their date of disability. What has been occurring is that as clients learn they can apply for SSI, in many instances, a period of time since the disability has elapsed. The problem then is that SSI gets approved according to the date of the application, not the date of the disability, and clients are losing payments for months that they were in fact eligible, but unaware of SSI. Another problem is that some clients are not advised to apply for SSI until they learn that their disability has been denied. They, too, have lost months of eligible payments.

To compound the problem, some clients apply to their local welfare board while their disability is being handled. The welfare checks and food stamps are usually processed quicker than Social Security disability and what happens in these cases, to further frustrate the client, is that they are told in their disability and/or SSI letter that any changes in income must be reported to SSA. The process then begins again as the client attempts to inform SSA of the welfare payment they are currently receiving. What occurs at this point is that either the welfare is now denied and/or the client may now have to repay SSA. This further confuses the already confused and bewildered client.

I presently have a client who was employed for 22 years prior to her disability. In July 1989, she had a leg amputation and was unable to work. She had no savings or resources. She applied for disability in August and was unaware that she was eligible for SSI also. In September, she did in fact apply for SSI. She completed a phone intake in August and did not hear from SSA disability until January 1990 when she was awarded a disability check. This client fortunately had a friend with whom she could live until she received her first check. In January 1990, she was also informed that she would be awarded SSI payments back-dated from September 1990 when her SSI application was taken. Obviously, she was disabled in July when she had her amputation, as her disability letter stated she was disabled July 1989. I find it difficult to comprehend the SSI letter stating she was disabled in September. They processed her claim according to her date of application. I feel this is a grave injustice to clients who are unaware of the benefits in which they may be entitled. With the information given at the initial disability phone application, I feel that SSA should have advised the client to apply for SSI. Since this was not done, this client lost payment for part of July and August. To compound this story further, when I became aware of this client's dilemma(December 1989), I advised her to contact the local welfare board, which she did. She was awarded a welfare payment. In January, she was told in her disability award letter to inform SSA of this added income. Her claim is now being reviewed and her SSI is under appeal.

Another obstacle which I am encountering as a social worker is effects of the privacy act. When a client is having problems, questions, or concerns regarding their disability or SSI checks, I am told that due to the privacy act, the answers to my questions can only be discussed with the client himself. The problem now is that the client cannot understand what is being explained to him/her, and the only way I can be of assistance is to physically be with a client making the call. This same situation applies with assisting a client when they are participating in the intake process. It is not possible for me to travel to each client's home to help with these problems. I am virtually unable to assist the client; all I can do is interpret what I think is going on by what the client reads to me on their award letter.

Recently I had an experience with a client who needed to ascertain whether or not he was actively enrolled in the Medicare system. He had lost his card and was in need of medical attention. When I called SSA to inquire on behalf of my severely handicapped client, I was told they could not furnish that type of information to me and that they would issue him a new Medicare card in 30 days if he in fact, is covered by Medicare. Isn't that ludicrous?

I feel the processing time on these applications is so slow that it leaves the client extremely anxious and fearful. Since many of the individuals are experiencing physical, emotional, and financial hardships, these five months can feel more like five years. Even though there is a five month waiting period for issuance of the first payment, clients would feel much better knowing if and what they will be awarded as soon as possible.

If SSI claims could be processed quicker, clients would also know if they are going to receive Medicaid. This, for many clients, is a more valuable benefit than money. With SSI claims taking so long to process, clients often find themselves having to submit retroactive medical bills after Medicaid approval. These bills and donning letters from collection agencies, which clients have been receiving and many times are unable to pay, only tend to exacerbate an already tragic situation. Clients could feel piece of mind if they could be advised, as soon as possible, that Medicaid will be approved through SSA. If ineligible for benefits through SSA, they should be advised to apply for this coverage through their local welfare board. Many times clients have to wait for certain medical services and/or equipment due to their inability to pay and lack of insurance.

I have found a greater number of errors being made on applications taken by phone for various reasons. Many clients with whom I have spoken have admitted they did not understand many of the questions asked of them. For some elderly clients, hearing and voice clarity is an issue. I think communication problems, which can be difficult enough in person, are magnified by using the phone system. When discussing finances with these populations, I have always found it to be better to work in person so that you have some tangible information to see. Many clients have reported to me that they are so intimidated by this phone interview that they are not sure if they have given the correct information. They have reported the process as impersonal and cold. Surely a 30-60 minute phone conversation on such an important issue such as the client's financial future, I feel, warrants a more personal and concerned approach.

Another vital issue, I feel, is that most clients have no idea how these claim determinations are made and, I also must admit, I cannot understand many of the SSI award letters. The variations in the month to month amounts baffle most recipients.

I also find that when my clients are honest and report changes of income or status, many of them pay the price for months to come. Presently, I have a 20 year old client who has been receiving SSI since her 18th birthday. She is a college student, and in January advised SSA that she has accepted a part time position at the school for four hours a week at $3.50/hr.($56.00/month). She contacted SSA, and was told to send copies of her payment stubs. She was advised last week by a letter that her monthly check would be reduced by $97.00 a month beginning in April 1990. She is now in the process of straightening this out, but clearly errors like this are not uncommon. Fortunately, this client was able to tell that an error had been made. Many clients are unaware that their determinations may be incorrect or that they should appeal certain determinations. To many, the appeal process is too aggravating to handle and they choose to just accept what has been granted to them. Others fail to report status changes because they do not want to go through the hassle. If the system is going to put added stresses on the clients who comply and advise SSA of their status changes, many will realize that it is not worth the aggravation and many will, as a result, be receiving incorrect determinations. As you can tell by now, the frustrations are endless regarding the current system.

My recommendations for improvement of Social Security services to the handicapped and elderly populations must begin with the elimination of the new 800 phone intake system. As I have stated earlier, these clients need personal one to one interviews done either in the home or local Social Security office by appointment. Clients should be encouraged to have family members or support persons to assist with this process. Clients should also be sent written directions prior to their scheduled appointments as to what they need to bring to the intake meeting. Sending the specific directions through the mail will help eliminate any communication problems that often occur when done over the telephone. Secondly, clients need to be advised of all available services appropriate for them in their current situation. If it appears that a client will not be eligible for SSI, then the intake worker should advise the client at that time to apply to the local Medicaid office. The information given to the client should be brief and clear. Clients should be furnished with the address and phone number of their local County Assistance office. Many clients are unable to find out where to go to make these applications, and they need simple direct instructions, not just the message which is currently on the award letter which states, "Contact your local County

Board of Assistance."

Both the general public and working professionals need to be educated in a plain and simple manner about the availability of governmental programs which have been legislated for their assistance. Updated, correct information needs to be available to local agency workers, hospital social workers, and anyone who has direct contact with these people. Mass media should be used in this educational process and in outreach efforts. Through the use of television, radio, and the newspaper, the target populations (the homebound, indigent, and disabled) can be kept informed.

I hope that by sharing my experiences, I have in some measure enlightened this committee about the bureaucratic maze that exists when one attempts to apply for disability benefits. The recent SSA staff reductions have further deteriorated and complicated an already ailing process.

Mr. **Hughes**. Thank you, Ms. Kressman. Ms. Freedman, welcome.

Ms. **Freedman**. Thank you.

Mr. **Hughes**. Likewise, we have your statement, which has been made a part of the record in full and we hope you can summarize for us.

STATEMENT OF PATRICIA FREEDMAN

Ms. **Freedman**. Thank you for asking me to testify today and I would just like to thank you, Mr. Hughes, particularly, for your introducing H.R. 4051 with Representatives Moody and Levin, because I feel like this will go at least some of the way to solving some of the problems that have been—that we have heard about today, and that you are more than familiar with.

I would, rather than detailing any of my testimony, which I hope has been sufficiently detailed in the written part, would like to just simply say that I think that the evidence is in on what the effect has been of the staffing reductions. I don't think that there needs to be that many more studies, that much more research.

The effect has been not only in terms of Social Security employees, but I think most importantly, it has had a devastating effect on disabled people, on elderly people and on poor people. The effect has been not only just poor morale, the effect has been for many people life and death. When benefits are not received, when erroneous benefits are not—are handed out, that certainly creates a problem for the integrity of the system, but when benefits are not received for people who are desperate, desperate for medical care and desperate for cash assistance on which to live, that is more than integrity; that is life and death.

I think the stories that you have heard from all over the country and the stories that come in daily to my office and to other people's offices do nothing but support what we already know and that is this system has to be changed. It has to be changed by adding significant numbers of people to put a human face back on this bureaucracy. I think without that, the problems will continue.

The misinformation that is given out, the types of delays—the delays are not only at the local Social Security offices but as I have mentioned in my written testimony, the delays are at the disability determination services, where people are now having to wait 5 to 10 weeks to even get an appointment for a doctor, a consulting doctor, and cases are not assigned for several days after coming to the office.

That delay, to us, may not seem too bad in terms of you waiting 5 to 10 weeks for something to be resolved. These are people who are sick, oftentimes with terminal diseases, oftentimes who will not receive their benefits because of these delays until they are dead, which is what happened in the 1980-82 situation where we had so many cutbacks then, and we started to see dead people in the headlines. I hope that we are not going to have that happen again.

I believe that part of the problem that has happened as a result of the reduction—in significant reduction in the staffing—is that we have lost sight of who this agency serves. This agency serves people who are not able to perhaps function in the way that the rest of us can. It serves people who are elderly; it serves people who are poor; and it serves people who are disabled. By that very definition, this agency has to be humane and it has to be human, and the only way it can do that is to deliver its services through human beings and through adequate numbers of human beings who treat people in a humane way.

Again, as I have detailed in my written testimony, we now have people who will not go into local offices because they are laughed at. These are people with mental disabilities and because they cannot explain their cases and their situation to workers who are stressed out themselves; they are laughed at and they are sent away. Oftentimes, they do not return. They lose their benefits, to which they are probably legally entitled.

So I would urge you to support and do anything possible to make sure that the kinds of reductions that took place are reversed and I think that it is a need for more than stabilization, but a need for real growth in terms of the numbers of people that staff this agency and that serve the disabled, the poor and the elderly.

Thank you.

[The prepared statement of Ms. Freedman follows:]

DLC

Disability Law Center, Inc.
11 Beacon Street, Suite 925
Boston, Massachusetts 02108
(617) 723-8455 Voice and TTY
1-800-872-9992

Field Offices

Southeastern Mass. Office
21 South Sixth St.
New Bedford, MA 02740
(508) 996-8576 *Voice and TTY*
1-800-322-4023

Western Mass. Office
22 Green St.
Northampton, MA 01060
(413) 584-6337
(413) 586-6024 *TTY*
1-800-222-5619

TESTIMONY OF PATRICIA FREEDMAN
STAFF ATTORNEY, DISABILITY LAW CENTER, BOSTON, MASSACHUSETTS, BEFORE THE SUBCOMMITTEE ON RETIREMENT INCOME & EMPLOYMENT
MARCH 8, 1990

My name is Pat Freedman and I am a staff attorney at the Disability Law Center in Boston, Massachusetts, where I have specialized in Social Security Disability law for the past 6 years. I work with legal service and private attorneys and paralegals who provide legal representation to Social Security Disability claimants throughout Massachusetts. I also have regular and ongoing contact with individual Social Security claimants and their non-legal advocates.

During the last few years, I have witnessed a steady deterioration in the quality of service provided by the Social Security Administration. I have tried to describe some of the many problems in my testimony below which are directly attributed to SSA's staffing reductions. These problems as well as many others have created unnecessary and inhumane obstacles for people with disabilities and others as they try to obtain their legally guaranteed benefits from the Social Security Administration.

I have organized my testimony into 2 different sections. The first section is a synopsis of some of the more significant problems which staff reductions have caused; the second section is a summary of some recommendations for changes to address these problems.

I. STAFFING AND FUNDING CUTBACKS HAVE CAUSED SIGNIFICANT PROBLEMS FOR CLAIMANTS AND THEIR ADVOCATES, INCLUDING BUT NOT LIMITED TO:

   A. Inordinate delays at every level;

   B. Violations of legal rights;

   C. A significant increase in the incidence of lost documents, and mail;

   D. Inaccessibility to SSA offices and staff; and

   E. Erosion of professionalism from SSA employees.

A UNITED WAY AGENCY

A. Delays.

1. Local SSA Offices.

The staffing reductions have created long delays for claimants and advocates who visit the local SSA offices. In the words of one legal service advocate who has worked in this area for ten years, I used to be able to go into a local office and see a Claims Representative in about 15 - 20 minutes; now it is typical for me to wait for two hours before seeing anyone.

For claimants, who are often sick when they visit the office this length of waiting time is not only discouraging but often also painful. Although the policy of setting up appointments was an attempt to alleviate this problem, in reality it has not helped at all. Because of the shortage of staff, it often takes a week or more to schedule an appointment with a Claims Representative because they have so many interviews to do in one day.

A recent example illustrates the extent of how much this situation has gotten out of control. In one of the smaller offices in Massachusetts, the office staff were apparently so overwhelmed by the problem that they decided to establish a "waiting list" for making appointments.

When claimants or legal advocates called or visited this office to make an appointment, the SSA worker told them that they couldn't be given an appointment but instead could only have their name on a waiting list. The office could then get back to them to let them know when their appointment could be scheduled. The fact that many of these claimants were homeless or were not able to readily obtain transportation on short notice made no difference. When asked about how long it would be before their name came up on the waiting list, the SSA worker simply told them that they had no idea. Thankfully, once this practice was reported to SSA's Regional office, the "waiting list" was eliminated. It is however extremely likely there were many claimants who never were able to get an appointment prior to the waiting list's elimination.

2. Delays at the state Disability Determination Services (DDS).

SSA's staff reductions have also resulted in staff reductions at DDS offices throughout the nation. These DDS staff reductions have caused delays in the processing of disability claims.

The state DDS is the agency which evaluates the medical and other evidence to make a determination of disability. In Massachusetts, the DDS has been cut by 5% over the last few years. During this same time, the caseload steadily has risen. In Massachusetts, the DDS expects at least a 6% increase in its caseload for the current federal fiscal year alone.

The result of this has been to delay the processing of cases. Whereas a few years ago, each case was assigned to an examiner to begin development on the same day that it was received by DDS, cases now must wait for at least five days before even being assigned to an examiner. There are now over 700 cases at the Massachusetts DDS which are still awaiting assignment to an examiner.

The reduction in staff and the increase in cases have also resulted in an increased caseload for each DDS examiner. A few years ago, the average DDS examiner's caseload was 120; as of December 1989, the average caseload had grown to between 160 and 200.

This increased caseload has itself created serious problems in how the disability cases are processed and developed. In Massachusetts, before the staff reductions, the emphasis was on gathering evidence from the claimant's treating medical sources. With the increased caseload, attempts to gather treating medical source evidence are now seen as a luxury which examiners can no longer afford.

The result has been a steady and dramatic increase in the use of Consultative Examiners (CE). Whereas DDS examiners once could take the time necessary to contact treating medical sources, they now give up after a cursory attempt and instead just send the claimant to a CE. The irony of all of this is that the increasing use of CE's is in the long run more expensive and produces poorer decisions. Increased reliance on CE's means more appeals and more delays in obtaining benefits for claimants who are in fact legally entitled to them.

3. Delays in obtaining resolution of various types of problems.

According to SSA personnel, staffing reductions have resulted in local offices having to set aside certain cases which are then worked on for weeks, months and more. Because of this, cases involving issues of anything other than the normal initial processing for benefit eligibility are often delayed for up to a year or more.

This problem can best be illustrated by a few examples where claimants have been awaiting decisions for waiver of or reconsideration of alleged overpayments. One legal advocate reports that she has several cases in which her clients have been waiting more than one year for reconsideration determinations on alleged overpayments. It is important to note here that these are cases where there is the active involvement of a legal representative who regularly checks on the status of her cases. Claimants who do not have such legal representation will likely wait an even longer period of time.

Other types of cases where claimants typically wait for a year or more, are those involving anything out of the "ordinary". For example, claimants who believe that SSA has put them in the wrong living arrangement category often wait a year or more for a resolution. We currently have several cases involving a dispute about living arrangement which have been waiting resolution for more than a year.

Similarly, cases involving work incentive provisions often languish without resolution for up to a year or more. This type of delay only provides a disincentive to recipients who want to test their ability to work.

B. Violations of legal rights.

In Massachusetts, we have identified a recurring violation of the law which is directly attributable to staffing reductions. This problem is SSA's recoupment of alleged overpayments prior to the end of the appeal period.

When SSA alleges an overpayment, it sends a notice of this allegation to the beneficiary. The law provides, and the notice states that if the beneficiary files an appeal of SSA's allegation within 30 days, there will be no recoupment of the alleged overpayment pending the outcome of the appeal.

According to SSA personnel, the main SSA computer is programmed to automatically begin recoupment on the 61st day after the notice is received by the beneficiary. This program can only be changed if there is a manual entry into the computer which enters the information that a timely appeal has been filed.

What in reality happens is that recoupment begins regardless of whether or not a timely appeal is filed. When faced with this complaint and numerous examples, SSA found that the requisite manual entries were not being made because SSA workers didn't have time to do it, because they forgot or because they had never received training on how to do it. Consequently, beneficiaries lost benefits to which they were legally entitled.

C. A significant increase in the incidence of lost files, documents, and mail.

A few years ago, lost files, documents and mail were the exception; unfortunately it is now the rule. As one legal services lawyer recently told me, SSA has lost at least one thing in every one of the cases on my current caseload.

The significance of losing claimant's files is obvious. For people with terminal illnesses, the loss of files may mean the difference between receiving or not receiving any benefits. For people with disabilities, reconstructing information from their files may be next to impossible, especially if they suffer from mental disabilities or other disabilities which impair their memory.

The loss of a file often translates into a loss of benefits. For example, one client was terminated from Title II (SSDI) benefits because of allegedly engaging in Substantial Gainful Activity (SGA). Her legal representative filed an appeal of this decision because the woman was in fact working at a supported work job site. Because this was a SGA determination, the woman was not eligible for continuing benefits pending the outcome of her appeal. She thus lost her benefits.

Her legal advocate has been attempting to locate this woman's file for over one year. The local SSA office said that the file had been shipped to a processing center; the processing center said that the file was on a truck. They weren't sure where the truck was headed or when it would arrive. This woman has been without her benefits for a year and has had to rely on financial support from family, friends, and charitable organizations.

In addition to losing entire folders, there has been a dramatic increase in the incidence of SSA losing mail. One legal representative reports that in several of her cases she has sent Requests for Appeals at least three separate times, two times by Certified Mail, Return Receipt Requested. In these cases, she gets back signed green cards showing that the mail was delivered. When she calls the local office however, she is repeatedly told that there are no Requests for Appeals in the clients' folders and that no one can locate the mail that was signed for. This attorney finally had to hand deliver the documents and observe for herself that they were put into the correct folders.

These claimants were lucky; they had a legal representative who constantly checked with the local office to make sure that the appeals were received within the appeal time. For other claimants however, who are either unrepresented or whose representatives doesn't realize that the delivery of mail is such a problem, the time to appeal an unfavorable decision might run out without their even knowing it.

I would like to note at this point, that since we have been complaining about this problem, some of the local SSA offices have come up with their own "solution". This "solution" is that these local offices now refuse to sign the green cards acknowledging receipt of a certified letter.

Because of the staff reduction, SSA workers also freely admit, and it is borne out by our own observations, that they no longer put reports of contact into the claimant's file. This means that if the claimant calls to report a change in circumstances, or if a legal representative calls to report a new development, there is no record of that the information was provided to SSA. This of course creates problems for the claimant when SSA then assesses overpayments or makes other allegations that the claimant did not fulfill his or her duty to report certain event.

D. Inaccessibility to SSA offices and staff.

As you already know, SSA's staffing reductions have taken place at the same time that SSA has put into operation its nationwide toll free 800 number. The combination of the toll free number and the reduction of staff have resulted in a bureaucratic structure of Orwellian proportions.

The inability of claimants and often legal representatives to call local offices has resulted in frustration, delays, and cynicism. I would like to note that in Massachusetts legal advocates have worked out an arrangement with the Boston Regional SSA office whereby the Regional office furnishes me with the local SSA office phone numbers. I then distribute those numbers to legal services offices. Even with this arrangement, legal representatives still have problems calling a local office. For example, two weeks after receiving the list from the Regional office, a legal representative called to tell me that one local number was no longer operational. When I called the Regional office, I found that the number had in fact been changed since the time that the allegedly current list was sent to me.

This arrangement was the result of numerous complaints and meetings with the SSA Regional staff. These complaints came from both claimants and their legal representatives. These complaints echo the types of problems brought out in prior Congressional hearings: constant busy signals; erroneous information being provided; rude behavior; and other factors creating frustration and bitterness. Legal representatives reported that they would spend hours and days trying to obtain information about their clients because the Teleservice operators could not give them the local SSA office phone numbers. Clients reported that they finally gave up even trying to call; or that the information which they received was totally wrong or irrelevant to the questions they called about.

The problems created by SSA's over reliance on the 800 number, together with the staffing reductions are the direct cause for the current perception that SSA is a faceless bureaucracy which cares little about the quality of the service it provides and cares less about the people to whom the service is to be provided.

E. Erosion of professionalism of SSA employees.

Before describing this problem in more detail, I want to note that there are many SSA employees who have continued to provide distinguished service to the public in the face of the draconian staff reductions. Unfortunately however, all too many of the good SSA workers have felt that they must resign their SSA positions because the working situation no longer enables them to serve the public in a manner consistent with their professional ethic. Other good employees who do remain find themselves having to spend a significant amount of their time conducting damage control. For example, in the Boston Region there are some very good and dedicated office supervisors. Because we know that they are good and that they take pride in their job performance, they are constantly being contacted to straighten out problems created by others who for whatever reason do not feel the same type of responsibility to the public.

One type of problem which has been increasing is that of people in the local offices simply refusing to assist a claimant. In one Massachusetts office, a SSA worker makes a habit of laughing at applicants, especially if they are homeless or have trouble communicating. As you know, SSA is entrusted to provide service to everyone, but most importantly to people with disabilities, to the elderly and to people who are poor. However, at least in this one office, the approach is that a person with a mental disability or some other communication disability is not entitled to service, and should go away -- usually to "welfare". The situation in this one office is so bad, that many people with disabilities will simply not go back to the office because they have been degraded and humiliated. For them, they would rather live without benefits than face SSA workers who openly laugh at them and their problems.

This lack of professionalism is also evident from the fact that so many SSA employees are unfamiliar with the SSA programs. One example of this is the fact that many SSA staff refuse to release information to legal representatives who have signed releases from the claimants. Numerous legal representatives have reported heated discussions with SSA staff who are adamant that there has to be a signed Authorization for Representation form in the file. This problem still occurs regularly despite numerous memos from the Regional office clarifying the law.

Interestingly enough, although SSA personnel won't release information when there is a valid release, they have somehow determined that if a claimant has a representative payee, the only person who they can talk to is the representative payee. This problem has gotten so out of hand, that some SSA staff will not even let the claimant submit information for his or her own file.

Additionally, SSA workers routinely give erroneous information which discourages and prevents filing applications. In one Massachusetts SSA office, people are regularly denied even the right to apply for SSI because they allegedly have too many resources. In all of these cases, the claimants were eventually found eligible for SSI.

This lack of knowledge about SSA program manifests itself most blatantly when workers fail to give SSI applicants a protective filing date. Claimants are routinely sent away for more information or told to return with someone else without being given their protective filing date. This results in a loss of benefits for these people.

In other offices, the SSA workers will "allow" a person to file an SSI application but if the claimant has any trouble with the application, they refuse to offer any assistance.

II. THERE ARE CHANGES WHICH MUST BE MADE IMMEDIATELY TO ENABLE THE SOCIAL SECURITY ADMINISTRATION TO DELIVER SERVICE TO PEOPLE WITH DISABILITIES, THE ELDERLY AND POOR PEOPLE IN A HUMANE AND EFFICIENT MANNER.

There are a number of steps which must be taken to address the many problems which exist in the delivery of services by the Social Security Administration. I believe that the current Commissioner, Gwendolyn King is sincere about her intent to make SSA a more humane agency which has as its first priority service to the public. Unfortunately she has inherited the administration of an agency whose problems were not of her making. I am thus somewhat hopeful that with Congressional action to address these problems, Commissioner King will be able to remedy many of the current problems and thus help public confidence in the Social Security Administration. If these changes are not made however, the steady deterioration of service delivery which we have witnessed as a result of staffing reductions will only continue to erode public confidence.

Some of the changes which must be made immediately include the following:

A. SSA must not be allowed to use the 800 number as the exclusive way to contact local offices.

SSA's exclusive reliance on the 800 number to contact Social Security offices is a disaster. SSA must be required to recognize that the needs and capabilities of people who deal with the Social Security Administration vary. To address these different needs, SSA must be required to make the 800 number only one option for accessing Social Security offices. SSA must thus be required to list local office numbers in phone directories. This will enable people who cannot either cannot readily access the 800 number or who have issues requiring answers which can only be given by well trained SSA staff who have the necessary time to handle highly individualized problems to more readily and efficiently have their issues resolved.

Additionally, SSA must ensure that the 800 number operators are adequately trained and supervised to prevent erroneous information from being disseminated. SSA must also be required to establish and maintain a system of accountability for the quality of the information disseminated through the 800 number. Without a system of accountability, public confidence in the quality of the information given out through the 800 number will never be restored.

B. SSA must build on some of the effective and humane projects which currently exist.

Despite the severe staff reductions, there have been some exciting and effective attempts to deliver high quality service to the public. These projects are unfortunately constantly threatened with being discontinued because of staffing reductions. These projects cannot be eliminated; instead they must be expanded and encouraged throughout the country.

For example, in Massachusetts through the efforts of advocates and our state DDS, we have a DDS unit which specializes in developing claims involving AIDS and ARC. As a result of having this specialized unit, we have also been able to ensure that people with AIDS and ARC who are found eligible for SSI benefits are immediately issued Medicaid cards.

Prior to establishing this specialty unit, we found that people with AIDS often died before they received Medicaid coverage; they often waited for period of up to a year for their Medicaid cards. To address this problem, we arranged for a system whereby upon establishing SSI eligibility, people with AIDS and ARC were manually issued verification notices which could then be taken to the appropriate office which would manually issue a Medicaid card. The wait for Medicaid coverage is now non-existent; it begins with the day of SSI eligibility.

Similarly, the Massachusetts DDS again working with advocates, has established a Homeless Coordinator position. This person is responsible for outreach to Homeless persons, visits shelters, trains shelter staff, and assists with applications. Establishing this position has resulted in an positive relationship between advocates for the homeless and the state DDS.

C. SSA must be required to conduct effective outreach to segments of the population who are not familiar with the Social Security disability program.

Again, there are models which SSA can draw upon to begin effective outreach. In Massachusetts, the SSA Boston Regional office has worked closely with advocates to develop an informational pamphlet specific to the needs and circumstances of people who are homeless. This pamphlet will soon be distributed to all shelters and other organizations having contact with the homeless population. It will be translated into at least Spanish and possibly other languages.

This type of effort not only benefits potential claimants, but also establishes a positive working relationship between SSA and the advocacy community which has in the past viewed SSA as a faceless bureaucracy whose purpose was to create obstacles. These types of outreach efforts, with input from the community and from advocates must be extended to other populations. Some examples of the populations which must be reached include children with disabilities, the and the non-English speaking communities of elderly people and people with disabilities.

D. Adequate staffing of SSA offices and of DDS must be ensured.

The serious staff shortages at SSA and DDS offices must be remedied. These staff shortages have already proven near fatal for the humane and efficient delivery of service to the public. Continued staff shortages will make the problems over the next few years only worse. For example, as I am sure you know, the Supreme Court in Sullivan v. Zebley, 1990 WL 13222 (U.S), found that SSA must conduct individual functional assessments for disabled children applying for SSI benefits. This decision will create an increased caseload for both SSA and DDS staff. In speaking about this decision to the Massachusetts DDS, they estimated that there will be thousands of cases which were denied under the current invalid standards which will now have to be reviewed under the new standards which SSA must adopt.

I believe that these changes will go a long way to helping correct the significant problems which now exist within the Social Security Disability system. SSA is entrusted with the job of ensuring that people with disabilities and the elderly poor receive the benefits which Congress has guaranteed to them. In the past few years the staff reductions have seriously eroded trust in SSA. This growing distrust manifests itself in cynicism towards government. This cynicism translates into bitterness and despair. I urge you to respond to this growing problem immediately.

Thank you for the opportunity to present this testimony and to appear before you.

Mr. **Hughes**. Thank you, Ms. Freedman. Ms. Thomas, welcome.

STATEMENT OF LINDA THOMAS

Ms. **Thomas**. Thank you, Mr. Chairman, thank you for allowing me to be here. I feel that the reason I was chosen to represent the field office employees was because, first of all, I am the shop steward; people talk to me more openly than they do with anyone else. I have information from management that they would not pass along to any other employee. Also, my experience is as a generalist for 4 years, 4½ years. I worked in the SSI program as a specialist for 8 years, so when I look at SSI claims representatives' desks, I know what is going on.

For the last 3½ years, I have been a specialist in the RSHDI programs—

Mr. **Hughes**. What programs?

Ms. **Thomas**. Social Security programs.

I agree with Mrs. King. I think managers would cry out with one voice, "give us more clerical personnel."

In my written statement, I called them clerical support. That is what they used to be, more than they are now. The role of the clerk in the Social Security office nowadays, because there are so few of them, is to type out letters, associate mail, file, if they have time. That is it.

The role—their job description requires a lot more than that. There was a time when a clerical could take the first step on an action, let's say a memo, had the training and the know-how to take the first step and get the ball rolling on a lot of the work that came in and freed up the claims representatives to adjudicate cases and to interview the public.

We don't have that luxury any more. We are fortunate in Bridgeton. We have three. We call other offices and talk about clericals and they say, "You still have clericals? We don't have any or we have one."

As a result of the lack of clerical support, claims representatives are filing. They are typing out their own notices. They are sending out their own questionnaires. They are helping out as receptionists and account number clerks. They are interviewing, which is part of their job, to get a claim cleared. You clear a claim between interviews, between telephone calls. Sometimes you are taken off and given some peace to clear claims. Otherwise, you are manipulating a computer system; you are assembling an awful lot of pieces of paper and you are doing it with constant interruptions because there are not enough support behind you to take telephone calls and other things.

There aren't enough of you. There aren't enough claims representatives so that the interviews aren't rolling down all the time.

The service representatives—in the office where I work, we had four when I got there. We still have four, but we have lost a receptionist, we have lost an accounts number clerk, so they do reception work and account number work.

Our field representative—there was a time when we hardly ever saw our field representative. He was out in the field. He was making those house calls. He was going to hospitals and taking claims at bedside. More and more, he is in the office, behind a desk, interviewing. He stills goes out to three contact stations, but he makes very few house-to-house calls. He makes very few hospital calls.

I was told by our assistant manager that with regard to the contact stations, it is a constant fight to keep them open. Someone somewhere high up wants to close down our contact stations and we are in a rural area. We have no public transportation. You can get to Philadelphia or New York City easier than a claimant coming in from Salem County can to Bridgeton. There is no public transportation.

When I got there, there were 47 people. There are now 27. As of this coming Monday, we are losing our one Spanish-speaking claims representative. Many of these people come in. We have no Spanish-speaking claims representative. They have to go home and get a translator if they haven't thought to bring a translator with them.

On the issue of morale, all of this does impact on the way we do our jobs and the way you do—the kind of morale that your employees have affects the people you serve. We talk about downsizing as if it is something the agency, the government, chose to do. It just chose not to replace people who wanted to leave the agency's employment. People have grasped at the opportunity of early-out retirement. They have taken jobs elsewhere in the private sector and in the Federal Government, and even if you can call downsizing over, it is not over, because you will lose people by attrition that you may not be able to pick up, number one.

One of the reasons why there is a claims clerical crisis is that the agency is not competitive with private industry any more. In Cumberland and Salem Counties, it used to be the prize job as far as clerical work. People would come in and ask for applications left and right. I haven't handed anybody out an application in several years. They don't ask. They can get better pay elsewhere.

When I went to training, CR training, there were 20-some of us. They all went to a field office. When there are training classes nowadays, it is a joke. It is an easy way to pick up 9 weeks' worth of salary. They get there, they leave. If one or two get into the field office, they don't last long.

In regard to the post-entitlement workloads, the push is on to get people paid. I have to say that from my own experience, get the initial claims out and get people paid, but we are letting—because we have so few people, we are letting an awful lot go. One of the biggest workloads is our work issue disability review workload. The government built in work incentives to get people off the disability rolls, but we don't have the personnel to handle that workload.

You talk about overpayments. In my report, I said the main cause of overpayments is still lack of reporting or adequate reporting by the beneficiaries. If the agency is culpable in causing overpayments, it is in this issue of the work issue medical review. We don't get to them. People have long passed the period of time when their claims should be suspended and we don't get to them. They are overpaid. Then we ask for huge sums of money, 10-, 15-, $20,000, make your check payable to the Social Security Administration.

I am ashamed when the letter comes in asking somebody to pay back $20,000 when they are just getting back into the workforce.

We had a push in our office—we have—our operations analyst, who is now our technical assistant, just got promoted, and a claims representative who have—that is all they do. The claims representative interviews when we need him, but what is they do, work issue medical disability reviews.

We got caught up on that—we are getting a little caught up on it, letting overpayments, everything else pile up because while this man is not interviewing, I am interviewing, and others are interviewing. They are not doing their post-entitlement workload. If they get a little time between claimants, they are getting someone paid. They are moving an initial claim.

As a result of the fact that we have had this push, we are getting in, I was told yesterday, 15 medical issue disability reviews from our New York office. I am willing to bet it is the water that starts getting through the dam. The whole dam is going to break and we are going to be up to our ears in these kinds of lengthy cases because we had the push.

Overpayments. I haven't had a—I haven't dealt with overpayments in weeks. They are piling up. These are two very big case workloads that are just not getting worked. There are always folders—our desks are a disgrace. It looks as though we don't do anything because these folders, these medical reviews and these overpayments—the folders are so thick, they weigh 5, 10 pounds, some of them.

The New Jersey survey that was sent out was given only to bargaining unit employees. When they were asked, "Is there enough staff to carry out Social Security's mission in my office," 95 percent said, "I disagree or strongly disagree."

It is not unusual for our claimants to sit for 2 hours, and this is what I was told when I went there, a small country district office. They just sit all day, some of them. When lunch time comes, we send them out for lunch. Half the staff is gone. What is left can't handle the people who are sitting up there waiting. They have been waiting there since the morning. We send them out to lunch. We say, "You won't lose your place in line. Come back, eat and come back."

The New Jersey survey, when people were surveyed, 77 percent said the amount of time clients wait in the office has improved compared to previous years. Seventy-seven percent disagreed or strongly disagreed.

Talk about the post-entitlement workloads are handled in a timely manner. Seventy-nine percent either disagreed or disagreed strongly.

SSI outreach. We can't reach out to these people. We can by newspaper. We can by radio spots and local television. We can't go—I don't think that is what the agency means by reaching out. We can't go out to them. There aren't enough of us to go out to them and if there were, nobody would pay the travel. So that has been cut back.

It is—and you need outreach. You may—the radio spots, the television spots, the things in the newspaper, there are still people, with all of that, do not know there is such a thing as supplementary security income. You would be surprised the number of people who do not know that when they pay their Social Security taxes, they are buying disability insurance.

We used to go our regularly, go to clubs, go to retirement meetings, whatever. There isn't the money for that any more. Occasionally our assistant manager goes out and he gets comp time because there isn't even overtime to do it.

Eighty-seven percent are not happy or satisfied with the way downsizing is being handled. The training of employees has gone by the boards. Training of employees has to be an ongoing thing. The amount of reading material that comes across our desks is phenomenal. We are given the time, 8:30 to 9, to train ourselves. That is when most of us clear the claims that we are going to clear during a day, get them signed off, get the people paid. It is between 8:30 and 9. We are not even keeping up with the changes that are happening. We can't. We don't have—I shouldn't call it a luxury, but it is becoming a luxury.

As far as new workloads, we can't handle them at present staff. This Zebley case, it is going to impact on everybody. It is not just going to impact on an SSI beneficiary or an SSI claims representative or the States that make the disability decisions. It is going to impact on the person who has come in to file for retirement benefits or survivor benefits.

The SSI claims representative will be reviewing these cases. He won't be able to be—or she—will not be able to be the first one to take a disability claim from someone who isn't part of this class action, so the Social Security representative will be the front line taker in all disability cases. That means his retirement case up there is cooling his heels for 2, 3 hours because these claims are long.

It is not unusual to have a disabled individual sit at your desk for an hour, an hour and a half. It is a long interview. It requires that we look up doctors, addresses, telephone numbers, hospitals, whatever.

The clerks are already bogged down. When Zebley comes along, I don't know. Some of them have one foot out the door now. They are looking. They might not stay.

The telephone situation—I live in Bridgeton. I see people that I deal with in the office. I see them in restaurants, at church, in shopping centers. I know what they want. They do not want to talk to someone clear across the country. Only—if they have a problem, they talk to someone in one part of the country. If they have—if it requires a second contact, they get somebody else in a different part of the country. No records are kept. The person who took the first call doesn't know what happened and they have the second call. There is no—there is no teleservice center record.

If they have relieved—if the teleservice centers have relieved the burden, the telephone burden in the district offices, we can't see it. Our phones are ringing off the wall.

We have to pull lines. We pull—busy out certain lines because we don't have the staff and we don't want them to get an unanswered telephone. It sounds better, looks better for us if they get a busy signal, so we busy out some of the lines so we narrow in the incoming lines.

They complain about misinformation given to them if they do get through to the teleservice centers. Our telephone number is not in the book, but claimants are getting it. They are begging for it. They will come to my desk and they will say, "Please, what is your number? I can't get through on the 800 number, or the information that they give me isn't reliable." So we give them our number.

Misinformation is one thing. Delayed benefits, because people can't get through to the 800 number, is another thing, but the worse scenario is loss of benefits. There is a built-in rule about retroactivity of a claim. You have—and the time frame for retroactivity starts the day your first contact with Social Security is recorded. And if you can't get a hold of that 800 number, if you decide—if you are in an accident 2 days before the month ends and you try for 2 days and you can't get through until the next month, you have lost 1 month's worth of benefits.

It will not do to say, "I called the 800 number and I could not get through." There has to be written documentation of the date of your call, of your first contact.

When surveyed, the people who were doing the work, they are the people we surveyed—were asked the question, the 800 number telephone service has reduced the workload in my office, 86 percent disagree or strongly disagree.

People who are referred to my office by the teleservice centers are well informed about their situations. Ninety-two percent disagree or strongly disagree.

The teleservice centers are doing a good job screening persons who could be taken care of without an office visit? Eighty-seven percent disagree or strongly disagree.

With regard to the disability process, in New Jersey, it is now an average wait of 6 months for a disability decision. You can imagine what the Zebley workload will do to that statistic, push it up to 7, 8, 9 months?

I have literally had people who, after waiting a long time to get their initial disability decision, which was a no, and then go through the appeals process and have to go to court, get settlements, get retroactive benefits at 15-, 20,- $30,000. They come and they say, "What good is it to me now? I lost a home. I can't replace the home I lost with $30,000. I have more than $30,000 in debt." They can't do it.

When asked if my office will be able to provide high-quality service to claimants and beneficiaries during the coming year, 66 percent either disagree or strongly disagree.

I remember—well, first of all, just yesterday, I took a retirement claim from a gentleman who said that he had tried so many times, he doesn't even care to think about it to get through to the 800 number, so he gave up and he came in.

That is contrasted to two incidents that happened when I came to Bridgeton—it was shortly after I came to Bridgeton, when we had a staff over 40. One man called. His call was answered pretty fast. A 19-year-old clerk took the call, a well-trained clerk. The man was asking for status on his claim. She turned to me and said, "He's having a heart attack."

We asked him if he wanted an ambulance. The clerk kept him talking while we called the ambulance and his doctor. That man today may not have gotten through to a human being before his heart attack.

On a lighter vein, another woman once called. The clerk answered the phone. She wanted to know how to make yogurt. We decided she should contact her county extension service, so we gave her the telephone number. The clerk asked her, "Why," out of curiosity, "Why did you call the Social Security Administration to ask how to make yogurt," and the lady's answer was, "You are the only government agency that answers its telephone."

I haven't heard anybody say that in recent years.

[The prepared statement of Ms. Thomas follows:]

AFGE

**American Federation of
Government Employees, AFL-CIO**

**80 F Street, N.W.
Washington, D.C. 20001
(202) 737-8700**

STATEMENT OF LINDA THOMAS

CLAIMS REPRESENTATIVE/SOCIAL SECURITY ADMINISTRATION
BRIDGETON, NEW JERSEY

ON-SIGHT REPRESENTATIVE/AFGE LOCAL 2369
BRIDGETON, NEW JERSEY

FOR

THE HONORABLE WILLIAM J. HUGHES, CHAIRMAN

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT

HOUSE SELECT COMMITTEE ON AGING

ON

MARCH 8, 1990

CONGRESSIONAL TESTIMONY

Mr. Chairman and members of the Committee, thank you for the opportunity to present the concerns of the employees of the Social Security Administration (SSA).

My name is Linda Thomas. I have worked as an SSA claims representative for sixteen years, first as a generalist for four and a half years, then as a Title XVI specialist for eight years. Since January, 1987, I have worked with the RSHDI programs. At present I am employed in the district office in Bridgeton, New Jersey. I am an onsite representative with the American Federation of Government Employees. This is a mid-size office; as such, I feel that it is representative to some degree of all field offices.

When I transferred to Bridgeton in September, 1975, there were forty-seven employees. The staff now numbers twenty-eight; our official ceiling is twenty-six full time employees. Most offices are acutely in need of clerical staff. The larger metropolitan offices are hardest hit by the lack of clerical support. Claims representatives are spending time away from adjudicative responsibilities to type, file, answer phones, and handle receptionist duties.

Results of the New Jersey survey will best reveal if there is widespread "cutting of corners". From my own experience, I would say this is not done routinely but it does happen, most notably by manipulating the system with respect to measuring processing time.

Because of staffing shortages, the emphasis is on processing initial claims in the Title II program and initial claims, redeterminations and overpayment resolution in the Title XVI program. The backlogs in Title II are in the areas of work issue and medical disability reviews, representative payee changes, earnings enforcement issues and memos from the program service centers. The Title XVI backlogs are in the areas of living arrangements, income and resources determinations and complex overpayment issues. The primary cause is the lack of personnel with authority to adjudicate. Lack of clerical support is a contributing factor.

The incidence of overpayments and underpayments has always been a problem because of the complexities of the programs and the inadequacies of written operating instructions. The major cause of overpayments has always been the failure by beneficiaries to comply with reporting responsibilities. Staffing shortages cause extremely large overpayments (most notably) in the area of disability work issue reviews. Benefits that should be suspended because the beneficiary has returned to work continue to be paid out for months, possibly a year or more because there is insufficient staff to handle this large workload timely. Employees charged with entitling beneficiaries are doing their best to pay benefits correctly, leaving post entitlement workloads to grow because of time limitations.

Outreach to the people most in need of SSA's services is inadequate. There isn't the personnel to go out nor the funds to pay for travel. The Bridgeton district office, unlike some other offices in New Jersey still has a field representative. We operate three contact stations; yet, more than ever, the field representative is interviewing in the office and makes few person-to-person calls outside the contact stations. We send a claims representative to the Vineland State School weekly and a claims representative to a center for Spanish speaking clients. When we lose our only Spanish speaking representative this month, I do not know if another will take his place at the center.

Do we give prompt service? Too often we do not. It is possible to wait several hours for an interviewer. A claimant might have an appointment and still wait well pass the appointed time to be interviewed. He may have arranged to have his claim taken by phone. However, despairing of ever being contacted, he comes into the district office to file for benefits. Mid-day is particularly bad because one half of an already depleted staff has gone to lunch. Many times a receptionist will tell claimants in the waiting area to go out to lunch because they will not be helped until the staff returns. In some offices, anyone who walks in after three o'clock might be told that there is no guarantee they will be helped that day. One measure that was employed in Bridgeton to relieve overburdened interviewers and reduce the number of pending continuing disability reviews was to send out appointment letters and medical questionnaires in advance. We then took up to fifteen people into our training room for group interviews. This is contrary to SSA's official policy. We will be hard pressed to handle the additional workload resulting from two court decisions on entitlement of children. The "Zebley" decision, requiring review of denials of disabled children's claims, will create exceptionally large workloads for field office personnel and result in delays and continuing hardship for claimants.

The telephone situation is even worse. Phones, especially at the beginning of the month when interviewing is particularly heavy or doing vacation times, are "busied out" so the public hears a busy signal rather than the ringing of the unanswered call. In either case, the public isn't getting through. The teleservice centers have done little to relieve this burden. Aside from answering questions of a general nature and changing addresses, they can do little and often refer the caller to the field office where files and other records are maintained. If a claimant has to call the teleservice center on more than one occasion about the same problem, chances are he will speak to a different representative in a different part of the country each time. Were these employees located in the field offices, they could do all that they are doing now, plus answer the questions that require a file or record office search. If subsequent contacts had to be made by the claimant, although he might not speak to the same interviewer, there would be a field office record of the previous contacts. Teleservice centers maintain no records of previous claimant contacts.

Clearly, downsizing has impaired our ability to serve the citizens who turn to Social Security Administration for help, many of whom are in desperate circumstances. I feel that the recent resources put into the teleservice centers are in part misplaced. Employees should be closer to the people they serve, not half a continent away.

The most immediate need is in the area of clerical support, followed closely by the need for more interviewing/adjudicating personnel. The positions least affected by downsizing at the field office level are management.

In my estimation, formed by talking to many people as the AFGE Representative, is that the morale situation is serious. In my own office, one of our three clerks wants to leave. Two claims representatives are taking courses in accounting at night, hoping that they too can leave federal service. Another claims representative is waiting to be hired by the defense department; still another who switched to FERS, claims he will take any reasonable job he can get in the private sector as soon as he has enough time under FERS to give him disability insured status. Another service representative has been looking into the courses of study available in the nursing field. Others will retire as soon as possible.

Even if downsizing is over, the agency will lose valuable people. Will it be able to replace them? Many offices when given the authority to hire clerical personnel could not compete with private industry in attracting qualified people. When claims representative trainee classes were comprised of recruits hired from outside the agency, most resigned before completing the course. Of those who did report for duty in the field offices, many did not stay beyond a few years.

I would suggest a few immediate solutions:

De-emphasize processing time goals when they get in the way of doing the most pressing work first. By way of example, let us examine a very common occurrence. A claimant comes into the district office three months before his sixty-second birthday. His first check is due four or five months after his claim is taken, even longer if the amount of his earnings causes work deductions. Why is there a push to clear this claim in a few days while overpayments, memos and other workloads are piling up?

Next, let us ask ourselves: Does a claimant who lives in Carneys Point, New Jersey, really want to speak to a representative in Minneapolis? He would probably prefer prompt service from his local field office. Put the employees where they will do the most good. Spend your money where it is most needed.

It is not my intent to be negative. Most of the people we serve feel that ours is one government agency where they are treated with dignity by friendly employees who care about their needs and do a very good job with limited resources.

A claims representative had a rather long disability interview with a woman just last week. While I was at the photocopier, I saw him coming in the front door, not wearing a coat. He had escorted the woman he just interviewed to a waiting taxi cab. He had arranged by phone to have the cab fare paid by the county Office on Aging and Disabled.

Several months ago, one of my claimant's came to the office with his and his wife's first Social Security checks. They were afraid to cash them; they were sure, in light of the fact they had applied about two weeks before receiving the checks, that the checks were sent by mistake. As he said, "You can't be that efficient". I assured him that we were and he went away very impressed. Scenes like this are repeated every day in some field office somewhere in the country.

These two examples are not meant to believe all my previous statements. They are meant to drive home a point. When our citizens finally do get through to us, they get the very best we can give them. But these citizens shouldn't have to go through so much to "get through."

In the past the Social Security Administration had a reputation of providing efficient, personalized service. Given sufficient staff, we can make this true again.

I'll be happy to answer any questions that you may have.

Mr. **Hughes**. Thank you, Ms. Thomas. Thank you for your testimony. I gather that except for those items, things are going well.

Ms. **Thomas**. I would like to say that my hat is off to my fellow employees. When people get through to us, sir, I think we treat them well, but they have a heck of a time getting through.

Mr. **Hughes**. If it will make you feel any better, I received a telephone call at my home on a Sunday about 3 years ago, maybe 4 years ago, from somebody in Atlantic City who asked me if I could help them get a hold of the building inspector in Atlantic City. I said, "Why did you call me?" He said, "Well, because I understand that we can catch you at home more on the weekends."

So I understand how you feel.

Mr. Strassberger, we welcome you. We have your statement which, again, will be made a part of the record in full. We hope you can summarize for us.

STATEMENT OF JAMES C. STRASSBERGER

Mr. **Strassberger**. Thank you, Mr. Chairman, and members of the committee for this opportunity to represent the SSA systems development staff in these discussions.

We heard this morning that there are going to be television ads with joggers encouraging people to call early. I wonder if some of these ads are going to be in the same commercial break with some of the corporate image ads that are on television, the team of McDonnell Douglas engineers talking about how they are allowed to be creative and given the power and authority to come up with creative solutions or the Dow people who say, "Dow lets you do great things."

Certainly we have people and systems who could make such ads. A presentation by the folks who built the Critical Payments System comes to mind, and we have a lot of people in between, but I think we have too many folks who rather than being like the folks in the McDonnell Douglas ads, are like the engine room crew of the Titanic. Through skill and dedication, they got maximum performance out of the equipment available to them, but unfortunately, for political and public relations reasons, the ship was on an ill-advised course.

Without the kind of advances we have made in the system support for our field workers, things would have collapsed long ago, but in order to build that, I think we went on to a course that emphasized the support for the plausible assertability of the notion that downsizing was justified by computer advances and in so doing, we lost the ability to do some of the things which ought to have been done in a systems modernization program beginning 8 years ago.

For instance, the data administration function that was established less than 2 years ago should have been one of the first things undertaken in any contemporary systems modernization project. I think the literature thoroughly supported it. What happened was that we were affected by a number of things, one, of course, being bad advice, misdirection and just ignorance from contractors, particularly Delloitte Haskins and Sells.

About $10 million was spend on "integration" contracts, and $17 million on almost totally useless analysis and design contracts. The in-house staff concerned with the less glamorous job of keeping the system running, and providing the advances cited, could only resent the waste.

We ended up wasting a lot of the resources: both dollars for contract fees and work-years of SSA effort in working with the contractors, and perhaps most critically, calendar years, in pursuing things that produced great piles of paper which simply cannot be used as the basis for building the systems we are eventually going to be able to build.

We have problems in getting our act together with regards to the techniques we use. The SSA policies for software engineering are contained in a set of six 2-inch binders, which has extremely low credibility with the systems development staff. The SSA in-house magazine had a story about it with a headline, "It's a Cookbook." Well, you simply cannot do engineering of any kind, let alone software engineering, out of a cookbook. It is a profession and it is something that requires not following a bureaucratic manual, but the kind of opportunity for creativity and doing great things that corporate America pays good money to brag about.

What may sound like computer science problems are really organizational and public administration problems. Fruitful implementation of system modernization would require top-down understanding and commitment within management, and the opportunity for teams to work through how to make techniques work for them in building these systems. This human side of systems development was largely ignored. By the time people were attending classes I was teaching, they were—many of them—complaining about the idea that the bosses wanted no part of these new techniques or hadn't been given the opportunity to learn them. You know, "don't tell me, tell my boss," is what I heard when trying to teach about software engineering.

There was also widespread concern that contractors hired to do analysis and design work were simply incompetent. I know that people would get a contract and then go on the market for systems training and seek to buy for their people training in the technology required in the contract. We were not exactly getting experienced experts. We had an awful lot of people working who were hired by the contractors right out of college.

The question is asked, Can systems development offset downsizing? Direct work savings from modernization, I think, came largely from eliminating a separate step of data entry. Linda could enter things directly into a computer terminal, rather than writing it on paper, passing it to someone else, who would key from that paper into the computer terminal.

I think one problem that has been suggested in this morning's discussion is that, by eliminating that keying work, people though that they could eliminate an awful lot of clerical support in the district office which appeared to be people doing just keying, which is now off-loaded to the claims taker, when really there was, perhaps, some nonkeying work which was critical to the function of the office, which, you know, supports the idea that there is a clerical staffing shortage.

Also, while I had seen various reports talking about 4,000 work-year savings here, maybe as high as 7,000 work-year savings, there was never any convincing operations research study that would pass any kind of academic peer review, that concluded that indeed these advances, this move of this workload in this fashion, justifies the 17,000 work-year reduction.

What computers can do is speed up things which are a matter of clock time but not real process time. You can get information more quickly from the databases so you won't have to say, "I'll call you back tomorrow after I get the information on your claim." You can handle it right now during the interview.

You can expect that the master record for paying the benefit will be established very shortly after you finish collecting and transmitting the data, rather than weeks later when some older technology brought that case into the processing, but it still takes just as long to deal with the public. The computer can't really do much to shorten the kind of conversations that the other folks who have testified here have got to have with people.

Another thing we have to recognize is that the present service levels represent, really, an unsustainable momentum from persons who were trained and brought up in the Social Security Administration before the emphasis was on production, throughput, and down-sizing. And, then when we hear about even more technology, you see things about automatic teller machines as a possibility, we have to remember that when the airlines running East Coast shuttle services tried to use automatic ticketing machines for the Jet Set, they found that these people preferred to stand in line and talk to a human being about buying a ticket from here to Boston, and we have to consider what is the relative sophistication of the people who fly the shuttle and the people who are the SSA client population.

There is a question about whether systems development is related to things like overpayments and underpayments, payment accuracy, reliability of the system as a whole. Modern systems built using the kinds of techniques known as YOURDON/DeMarco Structured Analysis and Design, in which all our people were trained, have structure which permits efficient addition or removal of functions. Six or 8 years ago certain decisions were made which meant that by the time we got to the point that the catastrophic medicare legislation was repealed, we did not have in place systems which had modern structured designs and into which a module might be inserted to handle catastrophic and then rather carefully surgically removed. Instead of a minimum number of modules involved in the policy, the policy is scattered in various places in multiple systems, some of which are 20 or more years old. This is despite all the money that has been spent on integration contractors. The systems aren't very well integrated.

Done right, systems modernization could do many things to support payment accuracy, but the only way to do it right is to do it right. Concerned about the things we were hearing from employees, the union hired YOURDON Inc., the company which had done so much of the training for our people, to do a review of the requirements document for program benefits. The bottom line is it is not a document which can serve for future developments.

Recent specifications for claims adjudication lack the kind of definition, organization, and discipline which provide the foundation for reliability as is well recognized in the literature on contemporary software engineering. The methods used in 1984 to provide quick results, putting the initial releases of the modernized claims systems on the tubes, on the claims rep's desk, sort of stayed in place and, in fact, sort of diverted attention away from a more careful, precise engineering approach to the way systems ought to be built.

Can we improve systems and the way they support the services of the agency? We can. But, in order to improve our computer systems, we need to support our human system. That systems development problems are not so much technological as sociological is the thesis of a book, written by two people who did some teaching at Social Security, Tom DeMarco and Tim Lister, which really ought to just be made the seventh volume of the SET manuals.

As the engineer in the Ford image advertising commercial says, "Engineering only works when everyone is committed to quality." It doesn't work when management is committed to down-sizing and due dates. We recognize that certain techniques: partitioning, information modeling and things need to be done, but more importantly, we need to take some time for reflection and redirection. We need to be able to step back, look at the process of systems modernization, have the opportunity to back out of some poorly chosen paths, and we need a specific program of participative learning and decision-making to build a quality oriented-systems development program.

I would be happy to answer any questions you might have, and I will try not to get too technical.

[The prepared statement of Mr. Strassberger follows:]

AFGE

American Federation of
Government Employees, AFL-CIO

80 F Street, N.W.
Washington, D.C. 20001
(202) 737-8700

STATEMENT OF JAMES C. STRASSBERGER

SSA SYSTEMS ANALYST AND STEWARD
AFGE LOCAL 1923

FOR

THE HONORABLE WILLIAM J. HUGHES, CHAIRMAN

SUBCOMMITTEE ON RETIREMENT INCOME AND EMPLOYMENT

HOUSE SELECT COMMITTEE ON AGING

ON

MARCH 8, 1990

CONGRESSIONAL TESTIMONY

The legitimate concerns about the Medicare Catastrophic premium underpayment and 800 number service problems have again called into question what has been accomplished by SSA's Systems Modernization Plan. To many SSA employees the SMP has been a disappointment in terms of what could have been accomplished. Many of us thought 8 years ago that this would be an exciting time rather than a frustrating one. Our frustration is the flip side of the frustration experienced by the public. When I consider what the programmers, analysts and front line supervisors have done and could do, I have to wonder where would we be if the strategic and tactical direction of SMP had been better.

After 8 years of "modernization" it is reasonable to ask, "Why does it take 4 to 6 months to undo the Medicare Catastrophic provisions?" One agency statement cited 150 programs which needed to be modified. While there are a number of functions which needed to be implemented to effect the premium withholding and trust fund accounting, the reason these functions are in as many as 150 programs is that the programs which determine benefits and maintain a client's record, the very least of SSA's database, have not been modernized. In modern, structured system designs there would be well organized, distinct modules for discrete functions and adding one or removing it would be easier.

This $5/month problem for millions of beneficiaries is an indicator of problems with the management of modernization:

1) Early in the SMP, undue influence from politically connected, and apparently improperly hired, contractors Delloitte Haskins and Sells, led to the inept application of software engineering technology in the critical planning and requirements definition stages of SMP.

2) The original objectives of improved service, reliability and maintainability, and ability to respond to legislative initiatives were lost in the rush to support "downsizing" with highly visible changes.

3) Adequate attention was never paid to managing the human side of change within systems components. The credibility of the Software Engineering Technology (SET) policy could hardly be lower, form is paramount over substance or principles, and the process of system development has more in common with what went on in SSA 20 years ago than with the current literature.

These are problems of organization development and public administration more than of computer science. There are no competent studies which suggest that systems developments would support downsizing without deterioration in service. But, whatever the staffing level, service would be better if so much of the SMP opportunity had not been wasted. Whatever the appropriate level of emphasis on teleservice might be, such service would be better if the hundreds of millions of dollars, thousands of work years and 8 calendar years had been more competently invested.

One Technical Issue: "Information Modelling"

The literature available in 1982 clearly supported the idea that a detailed analysis of the data would be a key step and indeed the foundation for any major systems development effort. But lack of intellectual grasp of the underlying principles on the part of key managers, bureaucratic turf issues (Who owns "the data"?), and the total incompetence of Delloitte Haskins and Sells in this area of technology, meant that the system development going on today is being done without that foundation. Query facilities needed by teleservice reps are being built without the project team's being able to rely on a standardized, readily available definition of the data available. The "data administration" staff established about two years ago was established 6 years late and is irrelevant to anything which will be serving the public in the near future.

Project Management and Strategy

The claims modernization project (CMP) which was supposed to be a fast track project to provide quick results, became the centerpiece and model for subsequent developments, such as the current activities in queries and SSI modernization. It provides a highly visible "false front" of data entry and queries through the interviewer's terminal, but relies on old programs and files. There is something slightly fraudulent about modern-looking systems based on antique databases. It's like the exotic-looking fiberglass sports car body attached to an ordinary car's chassis. One should admire the hobbyist or mechanic who made the conversion, but be wary of the used car salesman who might overstate the car's worth.

When higher monitoring authorities questioned hardware acquisitions, in-house developments allowed us to run old, batch and tape oriented programs on-line with direct access to files; and to use the new terminals with the old "SSADARS" data communication system's software. This maximized the appearance of newness and provided enough functionality to keep service from collapsing.

The Role of Contractors

The hearings held by a House Government Operations subcommittee have detailed the problems with the "Systems Engineering and Integration" contract and contributed to the ending of the "Integration and Management" contract with Delloitte Haskins and Sells before the budgeted $32 million was spent. Additionally, about $17 million was spent on almost totally worthless analysis and design work and $2 million on failed software conversion by contractors. The prevailing attitude was so favorable to contractors that reasonable quality controls were not required and project officers were never held accountable for the uselessness of the products.

Today, Martin Marrietta enjoys a system development contract budgeted for $43 million by way of a triumph of creative accounting. The work was estimated at about 650 workyears involving 151 persons. A workyear by a government employee was found to cost $19,000 less than that of a contractor employee. Contracting out was deemed to be advantageous by adding an additional 25 years of salary and overhead for the 151 workers involved in the in-house option -- as if they would not do anything during those years. But most significantly, the kind of thinking behind this action ignores the importance of investing in SSA's human resources.

Training and Organization Development

There was an inexcusable lack of attention to the human side of the changes within systems components. The SMP training program was not integrated into component operations and focused exclusively on technical training. The administration of this program by the "Graduate School/USDA" insulated SSA components from this critical aspect of the SMP.

To their credit, Electronic Data Systems (EDS), Education Division, as a sub-contractor to GS/USDA, did make early recommendations to SSA concerning the need for management training. They were told to deal only with technical training. This omission was serious. There was no real opportunity for project teams to work through technical issues and there was not even sufficient technical training for managers to support sound technical decision making. Thus today, discussions are more likely to be about compliance with bureaucratic manuals (which attempt to reduce things to a "cookbook") than about constructive use of concepts and principles of software engineering.

In the early SMP years, dozens of classes were conducted in structured analysis, and structured design, mostly by YOURDON, the firm whose name is to structured software engineering as "Kleenex" is to tissues. Yet when the union arranged for a lunch time presentation by Ed Yourdon, people told me things like, "It would be seen as an affront to management to attend a union sponsored meeting."

Merit Pay

Time and again, employees and managers have pointed to the present merit pay system as a key factor in organizational performance problems. Basically, simplistic objectives based on paperwork due dates have exerted more control over project activities than have serious technical concerns. Flawed software engineering work products have been passed on to the next step in the project with the hope that the problems can be corrected later. This practice is endemic to the software industry, widely recognized as a key reason for "computer problems", but exacerbated by "merit pay".

Quality and Public Administration

The people served by SSA make market choices about what banks they use or cars they drive. A bank may invest in software engineering to provide better service than the competition's, and thereby attract business. The public has no choice with regard to dealing with the one SSA; government decides what to invest in technology and how to manage that investment. We can recognize the difference in engineering quality between Yugos and Volvos. We can recognize that the difference in engineering quality between a Yugo and a Volvo is greater than the price difference; and we can suspect that difference has more to do with the political and bureaucratic environment under which Yugo engineers work than with an innate difference between Swedes and Slavs.

To give America the social security systems it deserves, we need relief from politics and bureaucracy and an emphasis on human resource management issues. SSA's software development staff needs relief from the pressure of short staffing and over-aggressive schedules so that it can begin to work on the issues which were missed in 8 years of rush jobs on one hand and squandered resources on the other. We need a moratorium on frenzy, and a cooperative, learning-oriented opportunity to reassess strategies, techniques and priorities. We need the opportunity to turn off of questionable paths, and to do those things which we have left undone. This requires not great expense, but primarily rescheduling to allow time for learning and reflection. A Union-Management agreement on the implementation of the Software Engineering Technology called for "Quality Circles," joint employee and management seminars, and clinics on project issues. These haven't happened but are what is needed.

Values in Public Service

There are those of us who remember as a model of the person in government, Bob Ball's career of public service, as opposed to Jim Watt's $300,000 fee for a few influential phone calls. President Bush is right, public questions are about values. The state of Social Security's systems is very really more a question of such values than of computer science. There are some hard questions to be dealt with. A more vigorous civil service should be able to question lousy contracts and technical ineptness. A more professional civil service should be able to put quality first, rather than being rewarded for racing before political winds. We who work in government and participate in the Union movement notice the difference between what is portrayed in the corporate image TV ads from McDonell-Douglas, Dow, Ford, Chrysler and others and the way we are treated. When are we going to be allowed to "do great things"?

I would be happy to respond to any questions that you may have.

Mr. **Hughes**. Thank you very much, Mr. Strassberger.

Ms. Kressman, one of the things you indicated was that, in Cape May County, many of your beneficiaries knew the local officers. Is that just by word of mouth? Or how?

Ms. **Kressman**. No. Most of my clients know that there is a Social Security office in Wildwood. I do have the phone number to the Wildwood office because they—they have given me that number and I am sworn to secrecy, never to give it to my clients.

Mr. **Hughes**. You live in Swainton, do you not?

Ms. **Kressman**. No. I live in Margate.

Mr. **Hughes**. In Margate.

Ms. **Kressman**. I work in Cape May County. I work in Swainton.

Mr. **Hughes**. I found that interesting. Because I live in Ocean City and I find that folks do not necessarily know that there is an office in Wildwood, and my district offices find that people do not know there is an office in Wildwood.

Ms. **Kressman**. To tell you the truth, I was not aware that there was a Social Security office in Ocean City. For some reason, the office in Wildwood used to get a great deal of traffic. People used to have that local phone number. Then what happened was, I guess about 6 months ago, they changed the phone numbers and when you call the local office you get the 800 number. So my clients know where the office is. Some of them do go to the Wildwood office, if they have transportation. Of course, they have to rely on fare-free bus transportation, which takes them there, and then they have to wait to get a ride home and it is a problem.

I can call through for them. So, if I have a client who really has a problem, many times I can help them. But they have told me, if I give the number out, they won't give me the number anymore.

The problem that I have on top of all that is that the Privacy Act prevents them from giving that much information to me. So when I call and I say, I am calling on behalf of my client who wants to know the status of their claim, they say to me, "Well, due to the Privacy Act I can't tell you that information."

So, if my family is with me or I am in their homes, I can put them on the phone and they say, "Yes, I'm here. You can tell her." If they are not there, then I can't help them.

Mr. **Hughes**. Are they willing to call the beneficiary? Will they take the information from you even though it might violate the Privacy Act, without a written consent form signed, to give you the information? But will they take the name and telephone number and call them with the information?

Ms. **Kressman**. They will. But that doesn't help the situation because most of the clients don't understand what is being relayed to them. They really don't understand the system.

Mr. **Hughes**. Well, that is one of the points Ms. Thomas made too, is that the contact stations are important because people just like to talk to the individual in person. A lot of people are intimidated by the telephone.

Ms. **Kressman**. They are very intimidated plus, especially in my school setting, many of my parents have just gotten a diagnosis that their child has cerebral palsy or muscular dystrophy or spina bifida. I mean, these people emotionally are so distraught and then they have to call through and try to get an impersonal conversation on the phone, and they really can't. They are not able to furnish the proper information, just due to their emotional state.

Mr. Hughes. I am not so sure I would want to rely upon information collected from a 1-800 number, because I find in talking with constituents from time to time, and my staff tells me the same thing, that they often do not understand the process, do not understand the terminology, and even when you ask them questions they do not fully comprehend what you are talking about. Income, for instance, means a lot of different things to people.

Ms. Kressman. Yes.

Mr. Hughes. They don't think in terms of, for instance, income as including interest income or, perhaps income they might receive from some claim that they have just collected on or that it includes dividend income. So I am just wondering how much you can rely upon any information you collected from a 1-800 number, whether it is wise, basically, to utilize that for taking information for an application.

Ms. Kressman. Well, I have a client who told me about 2 months ago she received her award letter for SSI which said that she was being denied SSI due to the fact that she lived in the home of a friend and the fact that she lived there, they counted her shelter as income. Now she didn't understand this at all. And I said to her, "Well, what did you tell them when you made the application?" because the application was taken when she was in the hospital. And I said, "Where did you say that you were going to go when you were discharged from the hospital?" And from what we gather, she said, "I don't know. I think I said I was going to my friend's home." She didn't realize that was going to count as income for her. And I am assuming that if she would have said to the representative on the phone, "I don't know, I don't have anywhere to go,' that she would have been awarded SSI because she in fact had no shelter.

So when I question my clients and say, "What did you say on the phone?" they don't even know what they have said, let alone what they were asked.

Mr. Hughes. Sure. Ms. Freedman, how would you utilize, if at all, the 1-800 system?

Ms. Freedman. What I would do would be to use it for very simple types of questions in terms of, you know, getting what your benefits would be, questions that don't necessitate that there has to be a lot of information coming from the person calling. Because I think it is those kinds of calls, or those kinds of situations where you are trying to elicit information about a person's health, about a person's income, and get some detail that the telephone is not a really workable kind of thing.

Mr. Hughes. We have what, three contact stations in Cumberland County, Ms. Thomas?

Ms. Thomas. Yes, sir.

Mr. Hughes. And isn't one of those being closed?

Ms. Thomas. Not yet. Three of them are open and operating.

Mr. Hughes. I see.

Ms. Thomas. What is down the Pike, I don't know. Three of them are operating.

Mr. HUGHES. One of the things that Social Security has always prided itself in, and I can remember over the years of having this reinforced—they were responsive to people and the folks that worked at Social Security were very proud of that track record. What kind of an impact is it having upon Social Security staffers in the field offices that, first of all, constituents are coming in complaining that they can't get through on the 1-800 telephone number. I would presume, if it is like I see in other sectors, the one they would blame would be the people they come into contact with in the Social Security office. They are mad at Social Security because they can't get through. I presume that some of that is directed to staff in the field office, although they have no control over it. What impact has that had on morale?

Ms. THOMAS. I have had people in passing tell me about problems with the 800 number. They have not taken it out on me, per se. In fact, after they—you know, they are tired of the 800 number, so they come into the district office and they cool their heels for Heaven knows how long. They are so happy when they are finally taken to a desk and that person is smiling at them—

Mr. HUGHES. Just to find a warm body.

Ms. THOMAS. And I have got to say, what it does to morale, the people who work for the agency are, I have to say, through tremendous—if a person gets through they are treated well. They are treated with fairness. They are treated with compassion.

A young man the other day, I mean, he is up to here with work. But an elderly woman came in and her husband just died and she was just, she was no longer for SSI but she had all these applications. He filled out her application to the Veterans Administration for her. He is not required to do that. He filled out her application for the $2 prescription.

He could have been—he could have said, "Well, you go to the Veterans Administration" and "You go to the Office of the Aging," and he could have turned to some of his redeterminations, his initial claims, and he didn't. He took the time with the woman.

In my written report I gave the example of a young man who went out in the cold, it was a cold day, he put a lady in a cab. He had to make three or four phone calls to get that cab, pay for her, because there was no public transportation. She was going to walk to the bus station and take her chances that there might be a bus. She would have frozen to death. There was no bus.

Morale is bad. An awful lot of us went out. But, while we are there, we are not going to take it out on our claimants.

Mr. HUGHES. Well, I think that says a great deal for the commitment to those that work in the Social Security offices. That with all the frustrations, with all the setbacks, and with the morale problems that they still attempt to help people.

In fact, salary is important to people, but the satisfaction of being able to help others is extremely important, and when the satisfaction you get out of helping others in your job is eroded at the same time your salary is not commensurate with that which you can experience in the private sector, it is an invitation to disaster.

Well, I think even the kindness factor could erode. I mean, when you go home at the end of the day and you know you haven't made a dent in that paperwork, that for every one or two folders that have moved off your desk, five or six have taken its place, it might give you the impetus to say to the client, "Well, you go down the street to that agency," and when she is gone you can get rid of something from your desk. Because you are being judged more by the work that you are pushing out.

I mean, your abilities with the claimants are judged on that one factor. But all the other factors on your evaluations, which mean promotions, awards, whatever, are on how you get the work out.

Mr. Strassberger, what do we need to do to get our automated systems in place, with dispatch and efficiency?

Mr. STRASSBERGER. Well, I think, first of all, there is the issue of using the techniques that our people have been trained in. There has been a tremendous amount of waste in terms of time because if you don't follow certain engineering techniques you have not really built that specification document from which you can do the design from which you can do the programming. And we see things that, you know, produce a 19½ inch pile of paper. Somewhere in there there should be specifications for performing your computation or determination. But when that particular computation or determination is being actually implemented in the next release or something we find an entirely new and different attempt to specify that piece of program policy.

It is a matter of carefully using the technology that that is there, and I think the main reason that it hasn't been used as well as it could have been, is that that human side of modernization was kind of lost early on. One report did say there was a lot of need for management training in systems, and at that time the Deputy Commissioner for Systems, who had been sort of the principal author of the Systems Organization Plan, told the folks involved in training to deal strictly with technical training.

So, if you send the troops to training in various techniques but don't adequately build in the understanding from the top down, you are not going to get the best work. And this is well-known in the industry as a problem. You can't just train the bottom level, and then you had things done in the way that would be the quickest and certain choices were made.

Mr. HUGHES. So what you are saying is the people that are in mid-level to high level management positions really do not understand the system, so therefore they can't really participate in identifying the needs?

Mr. STRASSBERGER. Well, I think to some extent there are people who understand the current systems but don't understand current technology for building new systems. Eight years into modernization we are putting out queries that can be of a great benefit to the claims worker, but it becomes more and more difficult to build more and more queries using truly antique databases. It is that kind of strategic level understanding. If we are going to modernize, we need to modernize our databases.

Mr. HUGHES. Let me back you up. The General Accounting Office last year said that first of all the Social Security Administration didn't even identify their needs. They said that the SSA has not effectively performed the management activities needed to accurately assess its computer needs. Do you agree with that?

Mr. STRASSBERGER. I will say yes. That is the simple answer. It is correct. But, you know, obviously, you could involve a lot of academic discussion. I believe the bottom line is yes.

Mr. HUGHES. GAO also said, in September of 1989, at the Senate Appropriations Committee when they testified that the Administration Computer Plan lacked specific details such as the objectives, staff needs, equipment needs, and source of funding. You agree with that?

Mr. STRASSBERGER. I think they are certainly lax in those areas. I tend to focus on the technical end, and that last statement I think is a broader—

Mr. HUGHES. Not insofar as money is concerned. But insofar as the technical aspect of it—

Mr. STRASSBERGER. I think the technical piece is not in place. If you have a solid software engineering document, a proper structured specification, there are certain metrics that can be applied to it that measure certain things about what it would take to implement those. And without that, then you are just making wild guesses about numbers.

Mr. HUGHES. And you are also saying, you know, even once the needs are identified there is not a sufficient understanding of computer technology in important places within the administration to develop a system that is going to address those needs in the long-term.

Mr. STRASSBERGER. I think you have certain tables surrounded by important people making decisions, and in that conversation there is inadequate injection of sound technical thinking.

Mr. HUGHES. Okay. Ms. Thomas, we have what, nine staff personnel in the Bridgeton office?

Ms. THOMAS. Twenty.

Mr. HUGHES. Twenty.

Ms. THOMAS. Twenty-seven.

Mr. HUGHES. How is that broken up? How many caseworkers?

Ms. THOMAS. We have three clerks.

Mr. HUGHES. Three—

Ms. THOMAS. Let me start at the top. We have a manager, assistant manager, two supervisors. We have a technical assistant that is a new position. We have 11 claims representatives. Starting Monday, we are losing our Spanish-speaking claim—you know, we have a Spanish, large Spanish population.

Mr. HUGHES. Sure.

Ms. THOMAS. That will make five SSI claims representatives and six Social Security claims representatives. Of those six Social Security claims representatives, two of them are very highly involved in taking claims by telephone, and they process the claims they take by phone to completion. They alternate days interviewing, just in the morning, and everybody who is not at lunch interviews at lunchtime. We have one Social Security claims representative that is doing the work issuing reviews and the payee, which is a burgeoning workload right there. We are switching payees and people are making allegations of misuse or whatever.

We have one field representative, who, as I said, is more and more in the office. We have four service representatives.

Mr. HUGHES. Does he maintain the contact stations?

Ms. **Thomas**. He does the contact stations.

Mr. **Hughes**. Where are they located?

Ms. **Thomas**. Carneys Point. Every week, Salem. Two out of every—

Mr. **Hughes**. Salem City?

Ms. **Thomas**. Yes. And one in Vineland. And then we have the administrative secretary, the teletypist, two data review technicians, and we were lucky enough to get a senior aide to do some typing, some filing, and open up the mail.

Mr. **Hughes**. So your main loss really has been in your claims representatives?

Ms. **Thomas**. Our main loss is in clericals, clerical support.

Mr. **Hughes**. You have three.

Ms. **Thomas**. We have three.

Mr. **Hughes**. How many did you have 5 years ago?

Ms. **Thomas**. We had—I, I—more than three. When I got there, because I have been there for 14 years, we had seven plus a receptionist and an account number clerk, and a mail clerk. We have three clericals now to do all of that.

Mr. **Hughes**. All of that work.

Ms. **Thomas**. We still have four service representatives. That is what we had before.

Mr. **Hughes**. How about the supervisory personnel? Any changes over the last 5 years in supervisory personnel?

Ms. **Thomas**. No.

Mr. **Hughes**. So what has happened is that in addition to the down-sizing we have heard about, we also have distortion in that supervisory personnel has been maintained at about the same level. We have seen a loss of support personnel?

Ms. **Thomas**. We have—the new position that has just gone in is the technical assistant and it is still under negotiation as to whether that person, who is now a GS-11, and that was formerly just management were GS-11 and above, whether that person is a member of the bargaining unit or a member of management. But it still, that person is a support to management whether they are part of the bargaining unit or management. That person is a support to management. That person is not taking claims. That person is not clearing—getting people signed, clearing claims. The person is helping with the work issue reviews, though.

Mr. **Hughes**. What is the supervisory personnel? Do they actually work any cases?

Ms. **Thomas**. They will work cases, yes. If someone is out on vacation, they will try to do what they can.

Mr. **Hughes**. Let's assume nobody is out. Suppose we have all of our claims representatives in the office. Does the supervisory personnel work any cases?

Ms. **Thomas**. No.

Mr. **Hughes**. How about—I presume the manager and the assistant manager doesn't work any cases?

Ms. **Thomas**. No. The assistant manager does not. He has programmed the PCs. He has done an awful lot of work with PCs.

Mr. **Hughes**. I see.

Ms. **THOMAS**. But they have lost their expertise. The supervisors haven't, but the assistant manager and the manager have lost their expertise. You wouldn't want them clearing the case.

Mr. **HUGHES**. I see. How many additional personnel and what kind do you think we need in the Bridgeton Social Security office. What do you think we would need to get us back to where we could process as expeditiously as we once did 5 years ago, 6 years ago, the claims that you have to deal with every day? What would you need?

Ms. **THOMAS**. First of all, we need clerks. We should at least have one clerk for every two claims representatives.

Mr. **HUGHES**. So you need what, two more clerks?

Ms. **THOMAS**. Well, two and a half.

Mr. **HUGHES**. You have three now.

Ms. **THOMAS**. Two and a half will make it three. Three more.

We need a receptionist. The receptionist, the service representatives take turns being a receptionist.

Mr. **HUGHES**. You need a receptionist, three clerks. What about claims representatives?

Ms. **THOMAS**. We should be back to 14. That is the way it was when I was there and we really do need it. We have lost a little bit of the work.

Mr. **HUGHES**. So you need what, four?

Ms. **THOMAS**. Three.

Mr. **HUGHES**. Three additional claims representatives. So you basically are talking in terms of a total of nine additional personnel in the office?

Ms. **THOMAS**. Approximately. Yes.

Mr. **HUGHES**. Almost a 50 percent increase in staffing in order to get back to where you were.

Okay. Well, it has been a very, very good panel, and you didn't notice it because you had your backs to it, but Commissioner King was able to listen to most of your testimony today. And I appreciate you coming such long distances to be with us. It is a very important issue.

And, Ms. Thomas, I can tell you that my staff thinks a great deal of the Social Security offices, even with all the problems. They have an excellent working relationship and we appreciate how well you treat our constituency.

Ms. **THOMAS**. From all of us, thank you.

Mr. **HUGHES**. Thank you. Thank you very much. You have been very helpful to us. We appreciate your contributions today.

That concludes our testimony today, and the subcommittee stands adjourned.

[Whereupon, at 1:10 p.m., the hearing was adjourned.]

APPENDIX

APP

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

Sub Committee on Retirement Income
and Employment
Room A 714
House Office Building Annex I
Washington, D.C. 20515
February 23, 1990

To Whom It May Concern:

Poor health and thousands of miles prevent me from testifying in person. It is my hope, that the Committee will permit my written testimony to be presented to lend credence to whatever other evidence may have been gathered documenting severe shortage of staff, and other problems, existing within the Social Security Administration.

What follows is the truth, the whole truth, and nothing but the truth, so help me God.

My name is Ruth Washburn and I reside at 243 Barberry Rd., Egg Harbor Township, N.J. I am a citizen of the United States and my age is sixty.

I was documented totally disabled with coronary artery disease as of August 23, 1985 and retired, with a small disability pension, from the Division of Gaming Enforcement, Department of Law and Public Safety, State of New Jersey March, 1986. Between these dates, I was on leave with a temporary disability stipend.

I applied for, and received my permanent disability award from the Social Security Administration, after an in-depth investigation -- when my temporary benefits were depleted.

My husband, John C Washburn, had retired at the age of sixty-three and was also receiving his Social Security benefits as of September, 1985. However, he continued to work, part time, to supplement our income.

John succumbed to a malignant tumor, in his liver, on October 24, 1988. The bulk of our monthly income ceased with his death and I was left in a state of panic, as his illness and subsequent demise surfaced and ended within a two month period of time.

I was advised by the funeral director and the hospital social worker to apply for surviving widow's disability benefits against my husband's Social Security benefits. My daughter had arrived from California to see her dad in the hospital. He died the day after her arrival. After his funeral, she dialed the toll free SSA number. After numerous attempts (the line was constantly busy) she finally made contact!

with a representative. After explaining the circumstance, my daughter was informed that someone from S.S.A. would be telephoning me, within two weeks, to gather information.

Meryl had to return west before that time, so she left the number should I need it. I did! No one followed up on the initial call and after a reasonable period of time I dialed the toll free number. Please understand -- if the number does not register the busy signal immediately, you may be fortunate enough to get an automatic answer indicating -- all lines are busy and the first available rep will answer. So, you hold, and hold, and hold. If your luck continues, you don't get disconnected (and have to start all over) and someone eventually takes your call. When I finally made contact -- there was no record of my daughter's call, three weeks earlier. I had to repeat my dilemma, while experiencing Angina distress. My daughter had hoped to avoid that with her phone call.

The S.S.A. employee did apologize for the blunder and explained their increased work load, because of President Reagan's budget cuts. I would add, almost all of the S.S.A's staff, with whom I had contact, made no secret of the fact that serious problems had developed, because of the staff shortage, and utilized that excuse to justify the service delay.

The representative asked me many questions and then, to my horror, informed me that I would be mailed forms to be completed. It was the same format I had followed when I filed against my benefits. When the papers arrived I sat down and cried my heart sick, as there was so much data that had to be gathered. Information that was already on file with S.S.A. despite that, I had to put about five hours of labor into duplication. This exacerbated my coronary artery disease and I was in distress.

To compound the injury an error fouled up the funeral benefit of $250.00. That was supposed to be sent to me within a few weeks of request. Instead, it was withheld and I did not receive it until almost six months later, when the benefits started. However, they did not come easily!

Page four

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

Time and space do not allow for a detailed log of my experiences while waiting for the claim to be investigated. I suffered such emotional distress and physical pain -- tears and anxiety, until I was finally forced to contact my Congressman, William J. Hughes. Only then, did I get results. God bless him! I would never have lived through that mess, or the episode that followed on, or about November, 1989.

I received the enclosed notice of change in benefits. Once again, I had to contact Bill Hughes in order to ease anxiety and chest pains.

Hopefully, Congressman Hughes has a file on the first problem, as my documentation is back east. I am enclosing paperwork to substantiate my second encounter with the Social Security Administration and the call for help to my Congressman.

I hope that you are successful in your efforts to improve the system.

No one needs your help more than the elderly and disabled who depend so much on their S.S. benefits. These individuals are so vulnerable and many are just not capable of protecting themselves. Therefore, you must be their protectors.

Sincerely,

Ruth Washburn
6842 Maple Leaf Dr.
Carlsbad, Ca. 92009

SOCIAL SECURITY ADMINISTRATION

Important Information

Mid-Atlantic Program Service Center
300 Spring Garden Street
Philadelphia, Pennsylvania 19123
Date: February 6, 1990
Claim Number: [redacted]

Ruth Washburn
243 Barberry Road
Heather Croft
Egg Harbor TWSP, NJ 08232

This is in response to your letter dated November 22, 1989 regarding the $250.00 underpayment that was withheld to reduce the $582.00 overpayment to your husband.

Our records show that the $582.00 payment sent to the bank and credited to your husband's account for October 1988 was returned. Since that check was returned to us, the $250.00 underpayment due your husband was payable to you. A payment in the amount of $250.00 was released to your bank shortly after January 2, 1990.

We are sorry for any inconvenience caused by the delayed crediting of the returned check to your account.

If you have any further questions, you should call, write or visit any Social Security office. If you visit an office, please bring this letter. It will help us answer your questions.

David L. Jenkins
Director
Program Service Center

IE/LTRR1

SOCIAL SECURITY AWARD CERTIFICATE

From: Department of Health and Human Services
Social Security Administration

Date
JAN. 29, 1986
Claim Number: [redacted]

RUTH WASHBURN
217 E YORKSHIRE AV
PO BOX 61
NORTHFIELD NJ 08225

Type of Benefit	Date of Entitlement	Monthly Benefit
DISABILITY	2/86	$ 338.90

THE AMOUNT OF YOUR FIRST PAYMENT IS $ 338.00.

SHORTLY AFTER 3/03/86, YOU WILL RECEIVE YOUR FIRST PAYMENT WHICH WILL INCLUDE ALL BENEFITS DUE YOU THROUGH 2/86. AFTER THAT, A PAYMENT FOR $338.00 WILL BE SENT EACH MONTH.

WE HAVE DETERMINED THAT YOU BECAME DISABLED ON 8/23/85. HOWEVER, BEFORE YOU CAN RECEIVE BENEFITS, YOU HAVE TO BE DISABLED FOR 5 FULL CALENDAR MONTHS IN A ROW.

IF YOU RETURN TO WORK WHILE YOU ARE STILL DISABLED, YOU MAY BE ENTITLED TO A TRIAL WORK PERIOD TO TEST YOUR ABILITY TO RESUME WORK. DURING THIS PERIOD YOU MAY WORK IN AS MANY AS 9 MONTHS (WHICH NEED NOT BE CONSECUTIVE) AND STILL RECEIVE YOUR DISABILITY BENEFIT PAYMENTS NO MATTER HOW HIGH YOUR EARNINGS. AFTER THE TRIAL WORK PERIOD HAS ENDED WE WILL CONSIDER THE WORK YOU DID IN DETERMINING WHETHER YOU HAVE SHOWN BY YOUR WORK ACTIVITY THAT YOUR DISABILITY HAS ENDED. HOWEVER, YOU ARE NOT ENTITLED TO A TRIAL WORK PERIOD IF:

- YOU ARE ENTITLED TO A PERIOD OF DISABILITY BUT NOT TO DISABILITY INSURANCE CASH BENEFITS, OR
- YOU ARE RECEIVING BENEFITS IN A SECOND PERIOD OF DISABILITY FOR WHICH YOU DID NOT HAVE TO COMPLETE A WAITING PERIOD.

RESPONSIBILITIES OF PEOPLE RECEIVING DISABILITY BENEFITS

TO PREVENT ANY INCORRECT PAYMENTS PLEASE NOTIFY US PROMPTLY IF:
- YOU HAVE ALREADY RETURNED TO WORK WHEN YOU RECEIVE THIS NOTICE OR
- YOU RETURN TO WORK IN THE FUTURE REGARDLESS OF HOW MUCH YOU EARN.

SEE NEXT PAGE

ENCLOSURE SSA-10153
C

This certifies that you (or the persons(s) on whose behalf you applied), became entitled under the Social Security Act to the social security benefits shown.

Martha A. McSteen
Acting Commissioner
of Social Security

Important: See other side for additional information.

Form SSA-L30-TR (10-83)

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

JANUARY 3, 1990

SOCIAL SECURITY
100 DECADEN DR.
PLEASANTVILLE, N.J. 08232
ATTENTION: F. CIMOCHOWSKI
CLAIMS REPRESENTATIVE

DEAR MR. CIMOCHOWSKI:

THE ENCLOSED FORM SSA-L1043 (3-81) WAS FORWARDED TO ME AND I AM TOTALLY MIND BOGGLED.

I AM INCLUDING COPIES OF DOCUMENTATION IN MY POSSESSION AND I BELIEVE IT IS RELATED TO YOUR "SECOND REQUEST" MENTIONED ABOVE.

THE FORM SSA-561-U2 WAS SENT TO YOU WEEKS AGO, AND I RECEIVED THE CLAIMANT'S COPY BACK (FROM YOU) NOT TOO LONG AGO.

I WILL REITERATE THAT THE $582.00 WAS RECEIVED NOVEMBER 22, 1988 AND I HAVE MAILED YOU EVIDENCE OF THAT. SEE LETTER FROM CONGRESSMAN WILLIAM J. HUGHES.

SINCERELY,
Ruth Washburn

(619) 931-0952

Social Security Request for Information

Expressway Corporate Center
100 Decadon Drive
Pleasantville, NJ 08232
(609)484-8605

From: Social Security Office

SOCIAL SECURITY OFFICE 178
[redacted]
~~TELEPHONE:~~

RUTH WASHBURN
243 BARBERRY ROAD
HEATHER CROFT
EGG HARBOR TWP. NJ 08232

Date: ~~[illegible]~~ 12/15/89

Claim Number: [redacted]

SECOND REQUEST

Please send us the following information for the reasons given: TO FILE FOR RECONSIDERATION OF YOUR OVERPAYMENT, PLEASE COMPLETE, SIGN AND RETURN THE ENCLOSED FORM

Please submit the original or certified copies of the documents (not photocopies) now in your possession. Your documents will be returned promptly.

Your prompt reply to this request will help us give you better service. If you cannot furnish the above, please visit, or call our office. If you call in person, show this letter to our representative.

F. CIMOCHOWSKI
CLAIMS REPRESENTATIVE

Enclosure:
Envelope

WILLIAM J. HUGHES
2D DISTRICT, NEW JERSEY

COMMITTEES:
COMMITTEE ON THE JUDICIARY
CHAIRMAN
SUBCOMMITTEE ON CRIME

COMMITTEE ON MERCHANT
MARINE AND FISHERIES

SELECT COMMITTEE ON AGING

SELECT COMMITTEE ON
NARCOTICS ABUSE AND CONTROL

Congreſs of the United States
House of Representatives
Washington, DC 20515

WASHINGTON OFFICE:
341 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-6572

DISTRICT OFFICES:
CENTRAL PARK EAST
BUILDING 4, SUITE 5
222 NEW ROAD
LINWOOD, NJ 08221
(609) 927-9063

151 NORTH BROADWAY
P.O. BOX 248
PENNSVILLE, NJ 08070
(609) 678-3333

December 22, 1989

Mrs. Ruth Washburn
6842 Maple Leaf Drive
Carlsbad, CA 92009

Dear ~~Mrs. Washburn:~~ Ruth

Thank you for your recent letters requesting my assistance regarding your social security benefits.

As you were informed by a member of my staff, the Social Security Administration has verified receipt of the returned payment and your benefits will remain intact. In addition, the $250.00 in question will be sent to you within the next ten to fifteen days. I trust you will be in receipt of that check shortly.

Please be assured that I was happy to have been able to assist you in this matter. Of course, if I can be of any help to you in the future, please do not hesitate to call upon me.

With every good wish for a joyous holiday season and a happy and healthy New Year, I remain,

Sincerely,

Bill

WILLIAM J. HUGHES
Member of Congress

WJH:csp

PLEASE RESPOND TO:

WASHINGTON ( ) LINWOOD ( ) PENNSVILLE ( )

SOCIAL SECURITY BENEFIT INFORMATION

From: Social Security Administration
Philadelphia, Pennsylvania 19123

Date DECEMBER 12, 1989

Your Claim Number
[redacted]

RUTH WASHBURN
243 BARBERRY ROAD
HEATHERCROFT
EGG HARBOR TWSP NJ 08232

Reason for action
RECOVERY ACTION
Type of action
ADJUSTMENT

☐ As a result of the action being taken, benefit payments have been refigured as shown below. The amount shown in column 4, represents all benefits due on this claim through the month shown in column 5. You will then receive the amount shown in column 3 regularly each month.

☐ Benefit payments have been discontinued with the month shown in column 2 for the reason shown above.

☐ We have determined that you are entitled to the benefits shown below.

☐ As shown below, the next payment will be sent to you shortly. You will then receive the amount shown in column 3 regularly each month.

1. Additional payment information	2. Effective month	3. Regular monthly payment	4. Net amount of next payment	5. Next payment will pay amt. due you through month of
BENEFITS WILL BE PAID AS FOLLOWS UNTIL FINAL ACTION IS TAKEN ON YOUR REQUEST.	12/89	258.00	258.00	12/89

Note to Terminated Beneficiary:
Earnings for the entire year both before and after your benefits were stopped must be considered in determining whether you earned more than the allowable yearly limit. Please read the rest of this notice for additional information on work and reporting.

Note to Terminated Mother/Father Beneficiary:
You are not entitled to widow(er)'s benefits because you are not age 60 or disabled and age 50.

Note to Terminated Wife Beneficiary:
You are not entitled to retirement benefits because you are not yet age 62.

Note to Student Beneficiary:
If your benefits are being stopped because we did not receive your student report and you filed a report with your school more than two weeks ago, please contact any Social Security office for assistance.
DO NOT CONTACT YOUR SCHOOL IF YOU HAVE ALREADY FILED A REPORT.

If you have not completed your report you should do so IMMEDIATELY and take it to your school. If you need a report form, ask for one at any Social Security office. If you have taken the form to your school within the last two weeks, you needn't contact the Social Security office unless your next benefit check does not arrive on time.

Department of Health and Human Services
Social Security Administration

Form SSA-L3026-C2 (12-87)

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

Representative Ron Wyden (D) Oregon
Select Committee On Aging
Washington, D.C.

December 8, 1989

Dear Representative Wyden:

I saw you on CNN just minutes ago and was prompted to send the enclosed documentation to you.

This is not the first time that I have experienced distress because of the Social Security Administration.

My Congressman from New Jersey, William Hughes, and his staff rescued me from a tangled mess less than one year ago. However, until it was settled, it took a serious toll on my coronary artery disease.

I appreciate the sensitivity shown by you and Bill to people, such as myself, "the powerless". If it were not for Congressman Hughes' aid, I do not believe that I would be alive today.

Despite the fact I had been documented totally disabled by Social Security against my own Social Security account, when my husband died, I applied for help against his benefits; all my records were on file -- still I was subjected to a long drawn out investigation that took months and caused me much anxiety and pain before I was deemed eligible for a small check.

I want to thank you for all you can do to ease the suffering of the people whom need help the most.

c Congressman Wm. Hughes
New Jersey

Sincerely,
Ruth Washburn
6842 Maple Leaf Dr
Carlsbad, Ca 92009
(619) 931-0952

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

David L. Jenkins, Director
Mid-Atlantic Program Service Center
300 Spring Garden St.
Philadelphia, Pa. 19123

December 8, 1989

Dear Director Jenkins:

I have enclosed a copy of my bank statement covering the period November 2, 1988 to December 1, 1988.

As you can see, my letter to you, copy to the Pleasantville, N.J. office, dated November 22, 1989 was correct when I stated that "within a short period of time the bank sent me a debit memo informing me that they were withdrawing the $582.00 - and they did."

I do not know what procedure National Community Bank utilizes to reimburse the treasury, in matters such as this -- at any rate, I don't believe its my responsibility. Obviously, the $582.00 was taken from me on November 22, 1988.

Please be so kind as to set the machinery in motion to reimburse me $250.00 taken from my husband's benefits. As there was no over-payment -- recovery is not necessary.

Sincerely,
Ruth Stackhouse
[redacted]

C. Suite 111, Expressway Corp. Center
100 Decadon Dr.
Pleasantville, N.J. 08232

P.S. Please answer to:
6842 Maple Leaf Dr.
Carlsbad, Ca 92009 (619) 931-0952
I have been staying with my daughter until I can cope with my husband's death and hopefully return home.

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

December 6, 1989

Congressman William Hughes
Linwood, New Jersey 08221

Dear Bill:

I should have my head examined for daring to think that a comprehensive letter, in answer to the notice of change in benefits from the Social Security Administration, would correct an error on their part.

The enclosed will be self-explanatory -- I am trying to control myself, it is very difficult for me not to experience angina distress, because of this.

I had called the toll free number 1-800-234-5772 as soon as I received my forwarded mail and advised one of the representatives as to the problem. He assured me he would take the necessary steps to stop the reduction of my widow's disability check until the matter was resolved.

My nephew (whom is house sitting for me) called me today and advised me he was forwarding mail to me from the "Department of Health and Human Services" (that description is a laugh). I requested he open it and read it to me, as I hoped that it would be an answer to my November 22, 1989 communication. It was not! I was very upset to discover it was an affirmation of the start of a reduction in checks beginning January, 1989. Absolutely no word of my response, previously.

I telephoned the toll free number again. I spoke to Ms. Hudson at 10:40 AM Pacific time. I related the incident in its entirety. She told me that she could not locate the action to forestall the reduction in benefits; however, she would activate it again. "Sometimes, there's a flaw in the system -- it doesn't register," is what her explanation was. She told me to call back in one week to see if all went well with her attempt.

Bill, I am sending this off to you, immediately -- as I cannot afford even a temporary loss of benefits,

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

and I know from past contact with you, and your staff, that I will be helped.

As soon as I receive the correspondence that is being forwarded, I will send that to you. I just could not take the chance and wait for it to come and delay your investigation.

I am so happy that Jim Florio is our governor. I do vote absentee ballot from here and I wish you both well.

Sincerely,
Ruth Washburn
6842 Maple Leaf Dr.
Carlsbad, Ca 92009
(619) 931-0952
[redacted]

Social Security Request for Information

Expressway Corporate Center
100 Decadon Drive
Pleasantville, NJ 08232
(609)484-8605

From: Social Security Office

SOCIAL SECURITY OFFICE IN
[redacted]

[redacted]

RUTH WASHBURN
243 BARBERRY ROAD
HEATHER CROFT
EGG HARBOR TWP. NJ 08232

Date: 12/1/89

Claim Number: [redacted]

Please send us the following information for the reasons given: TO FILE FOR RECONSIDERATION OF YOUR OVERPAYMENT, PLEASE COMPLETE, SIGN AND RETURN THE ENCLOSED FORM.

Please submit the original or certified copies of the documents (not photocopies) now in your possession. Your documents will be returned promptly.

Your prompt reply to this request will help us give you better service. If you cannot furnish the above, please visit, or call our office. If you call in person, show this letter to our representative.

F. CIMOCHOWSKI
CLAIMS REPRESENTATIVE

Enclosure:
Envelope

Ruth Washburn
243 Barberry Road
Heather Croft, Egg Harbor Township
New Jersey 08232

November 22, 1989

Mid-Atlantic Program Service Center
300 Spring Garden Street
Philadelphia, Pa. 19123
Attention: David L. Jenkins, Director
Program Service Center

Dear Mr. Jenkins:

I received your communication dated October 19, 1989 and I must inform you that the information it contains is incorrect.

My husband died October 24, 1988, and a Social Security payment for $582.00 was deposited into our joint checking account in the National Community Bank, Tilton Road, Northfield, NJ 08225. I did not touch that amount, as the funeral director had informed me that Social Security did not pay for the month of death. Within a short period of time the bank sent me a debit memo informing me that they were withdrawing the $582.00 - and they did.

020C

Social Security Administration
Retirement, Survivors, and Disability Insurance
Notice of Change in Benefits

PLEASE LOOK AT
POST MARK ON ENVELOPE,
ENCLOSED

Mid-Atlantic Program Service Center
300 Spring Garden Street
Philadelphia, Pennsylvania 19123
Date: October 19, 1989
Claim Number: [redacted]

RUTH WASHBURN
243 BARBERRY ROAD
HEATHERCROFT
EGG HARBOR TWSP NJ 08232

We are writing to give you new information about the disabled widow's benefits which you receive on this Social Security record. In the rest of this letter, we will tell you:

- How we paid you $332.00 too much in benefits; and
- What to do if you think we are wrong about the overpayment.

Your Benefits

We paid $582.00 too much in benefits. This overpayment happened because we deposited JOHN WASHBURNS benefits for October 1988 into a bank account which you also owned. These payments were incorrect because we can't pay benefits to JOHN WASHBURN for the month of death, October 1988, or later.

We used $250.00 of your HUSBANDS benefits to recover some of THIS overpayment.

How You Can Pay Us Back

You should refund this overpayment within 30 days. Please make your check or money order payable to "Social Security Administration", and send it to us in the enclosed envelope. Always include your claim number (as indicated above) on the check or money order.

If we do not receive your refund within 30 days, we plan to recover the overpayment by withholding your full benefit each month beginning with the payment you would normally receive

ENCLOSURES:
REFUND ENVELOPE SSA-3105
C

SEE NEXT PAGE

020C

[redacted]

about January 3, 1990. We will continue to withhold your benefit until the overpayment has been fully recovered.

We will pay you a monthly check of $247.00 until we start to collect the overpayment.

Do You Think We Are Wrong About The Overpayment?

You have certain rights with respect to this overpayment and its recovery.

1. Right to Appeal:
   If you disagree in any way with this overpayment determination, you have the right, within 60 days of the date you receive this notice, to request that the determination be reconsidered. If you request this independent review of the overpayment determination, please submit any additional information you have which pertains to the overpayment.

2. Right to Request Waiver:
   You also have the right to request a determination concerning the need to recover the overpayment. An overpayment must be refunded or withheld from benefits unless both of the following are true:
   a. The overpayment was not your fault in any way; and
   b. You could not meet your necessary living expenses if we recovered the overpayment, or recovery would be unfair for some other reason.

   If you request waiver, we may need a statement of your assets and monthly income and expenses.

   If you request reconsideration and/or waiver within 30 days, the planned withholding of your benefit to recover the overpayment will not take place until your case is reviewed. This review is described in more detail on the attached form SSA-3105, Important Information About Your Appeal and Waiver Rights. The people in any Social Security office will be glad to help you complete the forms for requesting reconsideration (SSA-561-U2, Request for Reconsideration) and/or waiver (SSA-632-F4, Overpayment Recovery Questionnaire).

   Even if you do not want to request reconsideration or waiver, please call, write or visit any Social Security office if the planned withholding of your monthly payment would cause hardship. Please take this letter with you if you do visit an office. Unless we hear from you within 30 days, we will

C

SEE NEXT PAGE

withhold your payment as shown above.

Do You Think We Are Wrong?

If you think we are wrong, you have the right to appeal. We will correct mistakes. We will look at any new facts you have. Then a person who did not make the first decision will decide your case again.

- You have 60 days to ask for an appeal.
- The 60 days start the day after you get this letter.
- You will have to have a good reason for waiting more than 60 days to ask for an appeal.

If You Have Any Questions

If you have any questions, you may call us at 1-800-234-5772. We can answer most questions over the phone. You may also write or visit any Social Security office. The office that serves your area is located at:

SUITE 111
EXPRESSWAY CORP CENTER
100 DECADON DR
PLEASANTVILLE NJ 08232

If you do call or visit an office, please have this letter with you. It will help us answer your questions. Also, if you plan to visit an office, you may call ahead to make an appointment. This will help us serve you more quickly when you arrive at the office.

David L. Jenkins

David L. Jenkins
Director
Program Service Center

My name is William Jokela. I have been an employee of the Social Security Administration for over 13 years. I am a claims representative in the Appleton, Wisconsin District Office. For about the last 9 years I have witnessed the steady decline of both employee morale and public service while those that lead the agency have pretended all is well. In my office we have suffered about a 25% loss of staff and this is in one of the fastest growing areas of the state.

Here are some of the concrete examples of how the public we serve has lost out. The program I specialize in is the Supplemental Security Income program designed to help people who are disabled or aged and whose income does not meet minimal levels. These people are among the most disadvantaged in this country and predictably they have suffered the most from declining public service. The recent newspaper articles about thousands of recipients having their benefits suspended illustrate this. What the articles don't tell is why this happened. With declining staff the workload pressure on each employee increases. Each year a certain number of SSI recipients are selected to be reviewed and these reviews are mandated to be completed within the year. Even though the amounts of cases selected have declined (which has caused additional problems I will mention later), with the declining staff the work has increased on the individual employees and employees struggle to complete these reviews in the required time. Small wonder then that employees turn to suspending claimants' benefits at the least excuse. It clears a case from their workload quickly and effortlessly. I don't mean to suggest that employees are blameless in this but to an employee who suffers under continual backlogs, mandated unrealistic priorities, and repeated calls from despairing or angry claimants wondering where their benefits are because someone couldn't get to a simple address change, the temptation to clear a case with a simple suspension action is at least understandable. Also given these workload pressures, what incentive does the employee have to spend the extra effort to call or contact the claimant and help that claimant to comply with the review. If he helps this claimant, someone else in this backlog remains unserved.

As I mentioned earlier, the amount of reviews has declined somewhat and considering that the numbers of beneficiaries is increasing, this is hard to understand. This has been done in several ways. Many cases that were considered high priority 8 or 9 years ago are just ignored for long periods of time. The problem is that these cases were priority for good reason. Either the claimants or their immediate family are working or they have some other fluctuating income. With yearly reviews these incomes can be monitored and adjusted preventing excessive overpayments or underpayments. Now instead of priority reviews these cases are gotten to only after the factors which made them priority have caused unnecessary underpayments or overpayments. The claimant is not served because he is either faced with the hardship of an overpayment or he has done without adequate payment for a long period of time. The public is not served because money has been wasted and this is especially tragic in an era where increasing poverty and homelessness demand more and more resources that do not exist. Another method is to categorize certain cases as low priority cross checks of Internal Revenue information. Often these wind up to be as much work as the reviews and yet our offices cannot claim credit for the work. All this does is conceal a staffing need. Last but not least the workload credit assigned to this work has been changing and I suspect that many of these changes are the result of artificial manipulation.

One of the seemingly most important aspect of benefits paid based on disability is to provide incentives with those payments that encourage the disabled employee to return to a productive life. We have always had these incentives connected with both Supplemental Security Income and Social Security. Several incentives have been added through legislation while I have worked for the agency. To mention a few, we have trial work periods that allow people to work for a time before we judge whether their work indicates recovery. We have rules that extend payments to people who receive Supplemental Security Income despite their work if the disability remains or medical expenses produce ongoing need. We have extended periods in which people can automatically requalify for benefits if their work stops or lessens. Again for Supplemental Security Income only we have a program that allows claimants to set aside income and resources toward vocational goals for a specified period of time. We have rules that allow us to exclude from consideration money earned and paid on work related medical expenses. Unfortunately, all these procedures have one thing in common. They all require extra work and effort from the employee. The result is that many of these rules are ignored or not applied frequently enough. The claimant suffers because he is either cut off from benefits before he is adequately prepared or does not benefit from a program that would allow him to escape from the cycle of poverty. The public loses because too many claimants remain on these costly programs for longer than necessary.

In the meantime as little as a year ago one of our agency heads was waving a so called survey at all who would listen that he proudly asserted was proof of continuing excellent service to the public. I wonder how many newly suspended recipients were included in this survey. This was the same agency head who as recently as 2 years ago told a congressional committee that employee morale was so high that many of our local offices were composing office songs to express their daily pride and good feelings. In the face of this kind of reasoning can we be surprised that service has declined and surveys reveal more than half of our employees are unhappy with their jobs. Until we get adequate staffing and more realistic leadership, the downward spiral will continue.

William Jokela

MY NAME IS Richard Stooker. I HAVE BEEN EMPLOYED WITH THE SOCIAL SECURITY ADMINISTRATION (SSA) FOR APPROXIMATELY 11 YEARS. MY CURRENT POSITION IS Claims Representative. THERE ARE ABOUT 25 BARGAINING UNIT EMPLOYEES REPRESENTED BY THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES (AFGE) IN THE St. Louis, MO, Central West End D.O. SOCIAL SECURITY OFFICE.

UNDERSTANDING THAT THIS INFORMATION MAY BE PRESENTED TO CONGRESS, I CERTIFY THE FOLLOWING TO BE TRUE TO THE BEST OF MY KNOWLEDGE AND BELIEF:

The 22% staff reduction and the hasty implementation of the 800# affected our work to a very high degree.

To start off, let me explain that SSA measures workload with a highly technical system that appears quite sophisticated. It is, but it has a very significant flaw. It measures well, work that is done, but it totally misses work that is not done. Whenever SSA officials testify to you about how much work the Agency accomplishes they are totally ignoring the work that employees did not have time to do. This is highly significant for what we call post-entitlement work. Many people are just too busy to get to all the P.E. work they have. So what happens? It's not done, so the Agency does not measure it. It's sitting on someone's desk or in a file cabinet. It should be done, for the benficiary and for the trust fund. Unfinished P.E. work often means an incorrect payment, too much or too little. But the Agency pretends it does not exist, and therefore pretends to Congress that it does not need people to do that work.

What is really happening in the Agency is that an office has, let's say, 10 people. but to do all the work that really exists in that area on a timely basis would take 14 or 15 people. The 10 people who are there work like dogs and do the work of 12 people and probably get little to no appreciation for it. But the work of 2 to 3 people remains undone, unreported, and uncounted.

You would have far, far more complaints about SSA except that we the employees are straining very hard to do as much as we can. But we are only human, and we have been asked to overwork ourselves for years. We are getting sick more, we are quitting in disgust, we are looking for new jobs, we are taking early retirement, everything we can to get out from under this crushing workload. We need relief! We need more help!

The Agency gives us good advise on "managing" stress, then piles on more stress!

This office used to have 45-50 people. We are now down to 29 people. Our service area has not been reduced.

We used to have five Data Review Technicians. Now we have 1/2 of one, (she is also a Service Representative half of her time). The other four people were sent to the Teleservice Center because of the 800# coming. We used to have 5 Service Representatives. Now we have

3 1/2. The other 2 people were sent to the Teleservice Center because of the 800#.

As if that were not enough, we often still have to send another Service Representative to the Teleservice Center for 1 to 5 days at a time to help them more. Yesterday, on 1/4/90, we had 1 SR at the TSC and 1 on leave. The TSC was very busy, yes, but so was our office! All the CR's in our office had to take interviews for SR's because the one we had was swamped. This kept us from our work, making us get farther behind. Also, CR's have to answer the SR telephone and then do the work that comes up that way.

We used to have one Claims Development Clerk for each 2-3 CR's. Now we have 3 for the whole office and the 1 for the SSI Unit must teletype most of the time, (we used to have 2 fulltime teletypists), and 1 CDC for the regular Social Security Unit must be receptionist a lot. In fact, she used to be full-time receptionist until we got so low on CDC's. Now, the SR's must be receptionists sometimes and also handle the Social Security number applications she used to do.

CR's now do a lot of the work that CDC's used to. We file folders, type notices and letters, pull tickles, associate mail, and answer the phones most of the time. All the work that the government used to pay GS 3's and 4's to do is now being done by GS-10's. What kind of financial sense does that make?

Supervisors act as receptionist, do the mail, and take both SR and CR interviews! The assistant and district managers also do the mail, make personal contacts and act as receptionist. That is, in the name of "efficiency", A GS-13 does the work of the GS-3. We simply do not have enough CDC's and SR's in this office to do all the work that is supposed to be done by lower graded personnel. The SR's need help to keep up with the people who come into the office. The work on their desks is very backed up. Yet nobody in the Agency seems to care about the work that isn't done. It isn't counted, and they don't mind that people have to wait to be seen. We try very hard to help people before they have waited too long, but when the crowd spills out into the hall, it takes everybody in the office and the work on our desks gets behind. We are short-staffed even when everybody is at work. In real life, people are on leave at times. Then we have even greater problems.

Right now, our Clayton office has 2 SSI CR's and one SSI CR just out of training. The 2 CR's are having grave personal and medical problems and are therefore not in the office much at all. Therefore, the trainee is being trained in our office. Also, we have to send one of our SSI CR's to the Clayton office for five weeks. This will put a great strain on our office. Our work will suffer because of it.

Also, the Agency is not revealing other ways in which it is obscuring the workload problem. In SSI, we must do reviews of all recipients on a periodic basis. There is an extremely complicated system of 'profiling' recipients to see where they are most likely to be in error. People with "low error" profiles get reviewed every 3 or 4 years, people with "high error" profiles once a year. The forms for low error reviews are much shorter. They have reams of statistics to back up these profiles, but they aren't worth much because nobody with common sense field experience had input. They put as many people as possible into the "low error" category. This means we don't do reviews on them as often and the reviews are shorter, therefore, we need less people to do them!

But, we are not paying many of them correctly, causing both overpayments and underpayments. Cases with alerts from the IRS computer interface are called "low error" even though anyone with sense knows that if the IRS had a 1099 on them there is a much higher than average chance of an overpayment.

Also, they say that if a recipient has in-kind income less than the presumed maximum value, that there's a low chance that it's in error. This is blatantly wrong. In-kind income changes constantly. If the amount we are charging them with is below the maximum, there's a very high chance that it's wrong.

I had a case where the woman moved back with her husband in 1983 and we didn't do a review until 1987! Because of his income, she was overpaid about $5000.00. And anyone looking at her record would know she is logically a high error case because she had done the same thing 2 or 3 times before. Yet she was profiled as a "low-error" case. If we had done a review on her earlier, we would have saved thousands of dollars.

The Agency is pennywise and pound foolish. We are now supposed to be in a very tight financial crunch, but several months ago, every office got a brand new TV and VCR. The old 3/4 video players were very much out of date, but the old TV's did not need replacing. We only played it about once a month! What a waste of money! And some offices have satellite systems so they can hear live broadcasts from Baltimore. Why not use that money to hire people to work? Several years ago they bought a $9000.00 work processor for every office. Before long, they bought personal computers which outmoded the word processors. They say money is tight but there's enough for toys. Why can't you make them hire people to work?

The 800# is a mess. The St. Louis Teleservice Center gets calls from Kentucky, but St. Louis callers are routed to Kansas City. But people in Kansas City are not familiar with St. Louis streets. I recently got a message that someone moved to a street that does not exist. Their check is now suspended because I don't dnow their real address. What kind of service is that?

The Agency has hired many new people for the Teleservice Center but it is not giving them adequate training. At the St. Louis Teleservice Center everyone is on the phones for 8 hours. Newcomers have to put callers on hold while they ask someone else a question then both people will be penalized for taking too long to answer their calls! The trainees need to continue their training, but they are not being given any time for that. How can they answer questions well?

Last year a person at the Teleservice Center was terminated for being on worker's compensation! Management said they needed someone at her desk answering her phone. The termination was illegal but that didn't stop them. That's what the workload pressure is doing. If you stumble, you're out. The employee was injured at work because of a hazardous condition management had refused to fix.

At this office we usually wait on people in a reasonable length of time, but it takes the whole staff to do it. We had almost 300 interviews yesterday. Smaller offices do not have extra people to pull to help with the callers. I've been told that people going to the St. Louis South County office wait 1 to 1 1/2 hours on busy days.

Our new Commissioner, Gwendolyn King, does appear to be an improvement over Dorcas Hardy, but in itself that's not really a compliment. I do believe she's sincere in wanting to improve employee morale. But good intentions will not do the work. We need more workers!

DATE: 1/5/90

SIGNATURE: Richard Stooker

ADDRESS: AFGE Local 3018
c/o SSA
P.O. Box 4822
St. Louis, MO 63108

December 28, 1989

TO: Congressional Subcommittee

FROM: Susie Hess
Social Security Administration
Claims Representative
Independence, Missouri

SUBJECT: Effects of Social Security Administration Downsizing on Service to the Public

1. The 800# service has resulted in people having to wait anywhere from 2 to even 4 weeks for an appointment. We used to be able to contact the people in 2 or 3 days.

2. The 800# service has resulted in fewer phone lines in our office. We cannot even get a line to call out on when we need it. The people are routed to the 800 number and they just relay the message to us by teletype, resulting in delays of several days or weeks. Public complaints of not being able to get in on thw 800 line are a daily occurrence.

3. There are never enough service representatives in the office now that the TSC has to handle calls from all over the country, and must maintain 110% staffing. We have to send at least one or two a day to TSC, leaving us without enough service reps to handle the walk-in traffic, let alone do the rest of their work. They are interviewing up to 40 or more people a day and are fed up with driving to TSC every week.

4. The staff is so short, we usually have about 6 claims representatives in Title II to take 20 or more teleclaims appointments plus at least as many walk-in interviews. This results in our not being able to get difficult, time-consuming post-entitlement workloads finished timely as we are battling to keep our claims done timely. As a result, people are being overpaid longer before we get their checks stopped on work issue continuing disablity reviews, and waivers are taking longer to decide, resulting in overpayments not being collected timely.

5. As a result of losing a field representative, we have little or no public contact. As much of our benefit accuracy depends on timely reporting to the Social Security Administration on a volunteer basis, the lack of public contact leads to more incorrect payments. For example, a beneficiary who came in at age 61 1/2, was not working, his wife had died, etc. He did not know he was entitled to a widower's benefit for lack of public information and so he lost almost 2 years of benefits. We don't conduct nearly enough retirement seminars or pay close enough attention to getting information into the media like we used to.

6. On top of this, our office moved to a smaller building in a remote area where the beneficiaries have trouble finding us, cannot take public transportation, and don't want to come in because it is too far away. This results in the same type of reporting problems mentioned in Item 5. The building is new, but the owners are in bankruptcy and have refused to pay to complete it. There is no landscaping-only bare mud, no sign out front, and the lobby is still unfinished. The building is poorly insulated, drafty and noisy. The last straw was when someone decided there should be no music on the PA.

All of these factors have resulted in declines in morale and service to the public, and all are results of downsizing at SSA.

Results of SSA Downsizing
in
Field Offices

PROBLEM:

SSA downsizing - approximately 25% - has seriously degraded the quality of service to the public, resulting in loss of benefits to some people, and in some cases incorrect benefits being paid. Further, the credibility of SSA appears eroded in the eyes of the public. It is not uncommon to hear members of the public say: "I don't know what to believe." This credibility erosion is partially due to so much negative media coverage of SSA, resulting from our downsizing.

FACTS:

In the past four years, a traumatic downsizing of SSA personnel has been implemented: Concurrent with this giant downsizing, a multitude of additional functions have been "dumped" on field offices. The following actions add to the turmoil and severly lowers the quality of public service:

1. Field Offices must now adjudicate all claims - 100% Final Adjudication: This means that claims are never again reviewed and that there is no source of assistance that a field office can call on for complex computations or complex problems. Each office is an entity unto itself. Before downsizing the Program Service Centers adjudicated all complex cases.

2. Field Offices must now, except disability beneficiaries, make and effectuate all waiver decisions on overpayments. This function was formerly done by the Program Service Centers prior to downsizing.

3. Field Office Claims Representatives , in addition to other duties, must now do most functions formerly done by development clerks; e.g., assemble claims, address envelopes, answer phone calls concerning routine follow ups etc.

4. Field Office Claims Representatives must now compute and write out most manual awards - approximately 25% of all awards are manual: This causes an undue delay in processing manual awards. It precipitates calls from claimants, asking "what is the status of my claim" This function was formerly done by data review technicians - - - Again, there is no technical resource to call on for assistance in computing WEP Cases, GPO cases, Workers Comp cases, PDB cases etc.

5. Field Office Claims Representatives are being pushed to get 85% of all new claims into direct deposit. Beneficiaries are being strongly urged toward this objective, as CRs are graded on their direct deposit percentage. This requires additional time in persuasion. Many just adamantly refuse.

DISCUSSION:

The aforementioned actions reveal that that many functions and duties formerly performed by the Program Service Centers were shifted to the Field Offices at the same time downsizing was implemented. It is also apparent that the downsizing has been accomplished by reducing clerical and technical field personnel.

How have Field Offices accommodated this increased workload concurrent with downsizing?

- By reducing telephone lines - roughly in half - The public therefore get busy signals instead of unanswered rings.
- By striving to work on an appointment basis, and reducing walk in traffic.
- By reducing office hours available to the public
- By Managerial Personnel in many cases picking up duties caused by the loss of clerical personnel; e.g., mailroom duties, ordering supplies, obtaining queries, associating material with folders etc.

What was the rationale for this downsizing? The apparent rationale for this downsizing and the shift of functions from Program Service Centers to Field Offices is contributed to the innovation of one or two personal computers in each Field Office, and the innovation of a modernized communication system (MCS). Also mega telephone service centers were introduced that are suppose to adequately respond to questions from the public. The theory was that these devices coupled with the mega telephone service centers would reduce field office work load. This theory has proven to be invalid.

First, the MCS is a super information retrieval system. it provides an abundance of data; but it does not compute manual awards, nor type these awards. Further, the system is frequently overloaded and not functional. It does permit the processing of simple claims.

Secondly, the personal computers are extremely slow, and are used mostly for storing statistical data, and as a by-product it does function as a word processor.

Thirdly, The mega Telephone Service Centers render a valuable service, but sometimes mis-information is given, or due to it being given in a hurried telephone call, people misunderstand. The reason partially for the problem is that TSC personnel are graded on the number of calls they accommodate - quality is stressed but falls short due to the heavy volume. As an example. Frequently, the field office gets claims leads from the TSC on widows who are over 65, dually entitled etc. Conversion from wife to widow's benefit is automatic, but the TSC is not looking at MBRs to assess this, just funnel a needless lead to the field office who must call the person and explain what will happen. The TSC could be a valuable asset if they could be more thorough.

What is the impact of downsizing on the public?

- The heavy field office workload has greatly reduced the time that can been devoted to people who walk in. Unfortunately this can lead to loss of benefits. As an example, last week, a widower, date of birth was Feb '28, came to the field office to file for retirement - he had not worked for the past 3 years. In taking the claim, it became apparent that he was eligible for widower's benefits and had been since age 60. Tragically he had been in the field office in August 89 to find out what evidence he needed when he filed his retirement claim. He was told to come back in November - no claim was taken, thus benefits were lost. The heavy work load prevents detailed interrogation.

- Benefits in some cases are not computed correctly due to workload and complexity - there is no one to turn to for assistance.

- Overpayments are being created causing very hard feelings on the part of the public. SSA takes a hard stance on overpayment waivers. In effect SSA takes the position that we (SSA) can make a computation error, but you the public must pay back any overpayment if you have the funds to do so, and most older people do have the funds. They feel bitter.

- The thrust of all these changes is less personalized service to the public, and has engendered somewhat an attitude of distrust toward social security. This is regrettable and must be corrected.

RECOMMENDATIONS:

In order to reassure the public that social security benefits are viable and that each person is getting their money's worth, we must:

1. Reduce the clerical workload on those who deal with the public, so greater personalized attention can be given.

2. Give the Field Offices some back up on complex cases - Establish a method of assuring complex cases are correct - field offices are too small to enjoy the time to research and develop complicated cases.

3. Enhance the MCS to do those manual awards, or restore the DRT position until such time as it has been developed to do that function.

4. Offer ongoing training to SSA people on how to better apply human relations principles in dealing with the public, and in coping with stress. Those little news letters from HHS personnel on health tips are nice, but not sufficient in safeguarding the health of the ssa people.

By and large, innovations have been made, and must now be fine tuned to maximize the benefits. Mistakes as well as improvements have been made. We all recognize that service and courtesy to the public are our business, and that the errors of the past must be corrected in order to provide it.

Paul R. Reynard

CR.

Independence, MO

I, Mary O'Malley, affirm under penalty of perjury that the following information is true to the best of my knowledge.

BACKGROUND: I have worked for Social Security for just over 15 years. I am currently employed as a Title XVI Claims Representative, working with the SSI Program, in the Renton Branch Office. Before coming to the Renton Branch Office in December 1987, I worked at the Burien Branch Office. The Burien Branch Office closed in December 1987. I had worked there since July 1984. The following are observations on the problems we are encountering in the Renton Branch office with respect to protecting filing dates for SSI claimants who contact our office.

DELAYS AND LOSS OF BENEFITS: We have serious problems caused by the Agency's insistence that work be done by appointments. Claimants are not given to an interviewer when they arrive at the office unless they 'insist.' They are given an appointment and sent away, even if interviewers are available.

This is particularly true if the person is filing for disability benefits. The person is given a "disability package," told to complete and return it and that an appointment will then be scheduled. If you have seen these forms, you know they are lengthy, confusing and, for many people, intimidating. Speaking from my own experience, I would have to say a significant number do not return the forms. Many of the people I deal with in the SSI program have developmental or mental disabilities and simply do not know what to do with the papers. Many do not speak English or, even if they do, are functionally illiterate. Before the staffing cuts, and before my old office was closed, we routinely helped people with these forms. Now we rely on them to do it themselves. I routinely review them with people who do return them and almost every one tells me how much trouble they were. It is very rare that I get back one of these packages where the information is complete and the answers correct. And, as I said before, I know there are a number that don't come back at all because the claimant was unable to complete them alone.

Another problem with this system is that many claimants think that once these forms are in, they have actually applied for disability. They haven't. They are confused by the appointment letters, wondering why we want them to file "again." I have had people miss appointments and, when I call them (which I try to do), they tell me "But I already did that." I have to explain to them "no, you didn't" and the past three to six weeks their paperwork was in our office nothing was done to push the claim along because, in fact, there was no claim. In other words, their wait for a decision will only begin when the application is received. And we are talking about an average wait of 90 days for someone whose income and resources are limited or non-existent.

Real problems begin when this procedure is used and the claimant's filing date is not protected. As you know, SSI claimants lose money if this is not done. Nevertheless, it happens. Frequently, too, the documents supporting the earlier entitlement are not associated with the claim and that protection is lost. We have no way of knowing if the claimant has contacted another office unless he or she tells us. They rarely do, even when we ask. They remember visits to offices but not phone calls and frequently do not know what office they've called. This is particularly true if the call the Teleservice Center. Even then, when the claimant can tell me who he or she contacted, I have often been unsuccessful in obtaining those documents from other offices.

Even more disturbing are those cases where the filing date is protected but we delay so long in recontacting the claimant, that protection is lost. This is no fault of the claimants. Although he or she complied with what we asked them to do, it simply happened that the appointment schedule is so backed up, their appointment was not schedulod so that the applications would be received within the 60 day protected period. This problem is compounded by insisting Title II (Social Security) claims representatives take both the Title II and T XVI (SSI) claims. Increased interviewing times, due to systems modernization, have already created a backlog on their schedules. They have also been experiencing staffing cuts and, although interviews are scheduled as soon as possible, there are still prolonged delays. These delays are costing SSI beneficiaries money when the application does not come in within the prescribed sixty days. In one week, I had three such cases. I still get them. So do other claims representatives. And, from speaking to other claims representatives, I do not believe the problem is limited to my office.

I want to say that I and several other employees have brought the problems with the protected filings to management's attention and we've done that repeatedly. When informal methods didn't work, we filed a grievance. As relief, we asked that employees handling appointments and SSI claims be trained on the need for protecting filing dates and the methods of doing it. We also asked that measures be taken to insure interviews were scheduled to avoid problems with the filing dates and that we return to our old procedures 'till people were properly trained. Some training was given after the grievance reached the second stage. The rest of the relief requested in connection with this part of the grievance was denied at the Area Director's level. The problems simply continue. There really isn't anything else for us to do except watch people lose benefits.

CONCLUSION-In the past, we had delays in processing claims due to staffing shortages but everyone got all that they were entitled to. We have now managed to create our own delays, in addition to those that already existed. We've also managed to hurt people in the process. I want to stress that this sort of thing---and management's inability or unwillingness to correct it---is unique to the last two years. This would have been unheard of before that.

I appreciate your concern and interest in this problem. I sincerely hope you can do something about it. It is unfair to the claimants I deal with to short them anywhere from 2-3 months benefits or to delay the processing of their claims and then say we have no problems with staffing cuts and everything is running well. I agree, for many people, an appointment can be a convenience. But for the SSI beneficiaries I'm dealing with, it's no convenience at all. It's just a new way of saying "Wait and Whistle."

Mary O Malley
9/21/89

YOURDON
WASHINGTON,
D.C.
7926 Jones Branch Drive, Suite 1110, McLean, VA 22102 (703) 790-0616

Mr. James C. Strassberger
American Federation of Government Employees
6401 Security Boulevard
Baltimore, Maryland 21235

Dear Mr. Strassberger:

This letter is being written in response to your request for me to provide you with a summary overview of the November 3, 1987 report I prepared for you entitled "Review of Functional Requirements Documents of the Program Benefits System." The report was detailed in nature and contained the results of my three day analysis of the sample documentation provided me from the SSA Functional Requirements of the Program Benefits System. The following capsulizes my findings:

1. The Environmental Model cannot be validated because the Context Diagram and the Key Business Events List are inconsistent with each other and are not properly documented in the Data Dictionary.
2. The Behavioral Process Model was not Event Partitioned, so I could not validate it against the Environmental Model. The Event Function Matrix does not present the system as an event-oriented structured set of functionally cohesive specifications. If the requirements do not properly reflect the events they are supporting, it is likely that the resultant design of the system will not either. That will affect the initial implementation as well as the ongoing system maintenance. The resultant efforts and associated costs for each are likely to be much higher than anticipated.
3. The leveled set of Behavioral DFD's is not properly balanced.
4. The set of Textual Specifications that support the functional primitive DFD's are in some cases not detailed enough and in others much too detailed for the Essential Model.
5. The Behavioral Data Model (Programmatic Information Model) appeared to have well-defined entities; however, since data elements have not been fully attributed to entities, I could not determine whether the model was normalized properly. Contrasted with this is the Claim Development claim-data structure. It was referenced but not commented on in the report. It needs to be normalized and many new data entities need to be defined. The data flow is very overloaded.
6. A major concern is that the Data Model and the Process Model did not balance to each other. If these do not balance, processes are likely to operate on data that is not defined. Likewise, data elements inside entites will be defined, but no process in the system will utilize them. Both of these could lead to major system design problems if not corrected in the Essential Model requirements defining.

New York Office: 1501 Broadway New York, N.Y. 10036 (212) 391-2828 Telex: 234972

Summary

After a three day review of the representative documentation for Program Benefits System, I feel that the package cannot be used in its current form as input to the Structured Design phase of the project. Perhaps a more detailed review is in order to verify the preliminary findings. The tasks that I feel need to be done are:

1. Balance the Context Diagram to the Event List.
2. The DFD's should be event partitioned.
3. The leveled set of DFD's consistent with #2 directly above must be balanced level to level.
4. Review and modify the individual Textual Specifications as indicated above.
5. Balance the Process Model to the Data Model and make them consistent.
6. The Data Dictionary must be updated to ensure that all elements, flows, and stores have been properly defined.

As with the full detailed report, if you have any questions or want to discuss any of this material, please do not hesitate to call me at (212) 391-2828.

Steven Bodenheimer
STEVEN BODENHEIMER

copy to: M. Hockley
S. Little

Payments to Software Engineering Contractors

Systems Engineering and Integration (SE&I) EDS with DH&S (ended, subject of Brooks' committee hearing 11/87 and reports)	$32,889,394.00
Integration and Management DH&S (budgeted for $32 million, ending 4/89 after about $8 million)	approximately - $8,000,000.00
	Approximately $40,000,000.00

Functional Requirements Contracts

Office of Systems Modernization Requirements

Program Benefits and PBG PSL/PSA support RGI, inc. (in-house rework continues)	$4,343,522.74
Quality Assurance/Internal Control Review System Automation Corp. (shelved)	$1,295,360.00
Inquiry Response RGI, inc (irrelevant to current effort)	$565,677.57
Data Exchange (irrelevant to current effort)	$578,631.00
Enumeration Advanced Technology Inc. (redone in-house)	approx. - $1,000,000.00

Office of Information Systems

Workload Management RGI, inc.("terminated for convenience of the government")	$1,413,418.69

Requirements, Design and Development Contracts

Office of System Improvement and Engineering

National Debt Management System Computer Data Systems Inc. (pilot failed - rebuilding in-house)	$5,801,359.09
Program Center Control System Requirements- Computer Data Systems Inc. Design, Development- ATI (shelved - not integrated with new systems)	$2,386,094.99
Total Requirements and Development -	$17,384,064.00

(Annual Wage Reporting requirement contract data not available - requirement document was shelved.)

Report Date: 02/20/90
Page: 2

SOFTWARE SUPPORT SERVICES CONTRACT
PERFORMANCE EVALUATION FINAL SCORES
09/25/89 - 01/28/90

Task Order Number	Task Order Title	Task Manager	OEDO Office	Final Scores
0389-03	H-P Comps Conversion - Interactive Computation No. 19	Ron Meyer	OPB	62.42
0689-03	Develop CMP 2.7 P/E Finders	Margie Zimmerman	OSIE	38.61
0589-02	DBMS Version Control and Change Management Process	Jim Slivka	OSIE	55.89
0789-02	WMS for Release 2.7 P/E	Aurelia Dett	OSIE	55.99
0789-01	WMS for Release 2.7 I/C	David Hopkins	OSIE	37.40